

## **Historic, archived document**

Do not assume content reflects current scientific knowledge, policies, or practices.



## INDEPENDENT OFFICES APPROPRIATION BILL, 1959

---

MARCH 21, 1958.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

Mr. THOMAS, from the Committee on Appropriations, submitted the following

### REPORT

[To accompany H. R. 11574]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies and offices for the fiscal year ending June 30, 1959, and for other purposes.

#### SUMMARY OF THE BILL

The estimates considered by the Committee are contained in sections of the 1959 Budget on Independent Offices, pages 95 through 220, General Services Administration, pages 221 through 255, and Housing and Home Finance Agency, pages 257 through 293.

The Committee is recommending reductions in almost every item, and the total of such reductions is \$200,042,600. Appropriations recommended in the bill total \$6,549,920,900, which is an increase of \$627,577,400 above the budget estimates and \$1,159,988,100 over 1958 appropriations.

The amounts recommended over the budget estimates in a few items are for the main purpose of fighting the depression and lessening the insolvency of the civil service retirement and disability fund. The largest item is \$589,000,000 to finance the Government's share of retirement costs for 1959 and thereby prevent the deficit of the retirement fund from increasing this year. The other significant in-

crease is \$177,255,000 to finance construction of 66 public buildings projects by direct appropriations rather than by the much more expensive and cumbersome lease-purchase contract method as proposed in the Budget. The other additions are for increased renovation and repairs to Government-owned public buildings, including properties of the Veterans Administration.

#### PAYMENT TO THE CIVIL SERVICE RETIREMENT AND DISABILITY FUND

The \$589,000,000 included in the bill for payment to the civil service retirement and disability fund implements the will of Congress as expressed in section 17 (e) of the Civil Service Retirement Act, as amended. That section provides:

The Commission shall submit estimates of the appropriations necessary to finance the fund on a normal cost plus interest basis and to continue this Act in full force and effect.

The Civil Service Commission submitted a request to the Bureau of the Budget for \$589,577,000 as required by law. However, it is not included in the Budget request to the Congress. For the last five years there has been only one budget request for this purpose.

The insolvency of the fund, since June 30, 1953, has increased from \$9.9 billion to \$18.065 billion due to the failure of the Government to make its contributions. The \$589,000,000 in the bill is necessary to make the fund self-sustaining in 1959.

The Committee has also included language to require that before any increase in annuity benefits or any new annuity benefits are paid there must first be an appropriation made to the retirement fund to cover the increased costs of such benefits to prevent an immediate increase in the unfunded accrued liability of the fund.

#### CONSTRUCTION OF PUBLIC BUILDINGS PROJECTS BY DIRECT APPROPRIATIONS

The \$177,255,000 the Committee has included for financing construction of 66 public buildings projects by direct appropriation includes all the buildings projects which were proposed for construction in the budget estimates under the lease-purchase program except four proposed for the District of Columbia, and two others. All projects have been approved by the Public Works Committees. The four District of Columbia projects are deferred because the Committee is definitely of the opinion a public buildings construction program should be initiated in other parts of the United States where extensive unemployment exists before huge projects begin in the District of Columbia. However, the planning on such projects may proceed as funds are provided in the bill to continue developing plans and specifications for all approved projects. This includes 14 other authorized projects outside the District of Columbia which the Administrator said cannot be placed under construction in 1959 even if funds were appropriated now. A list of such projects is on page 5.

The Committee believes that the decision of Congress not to renew the lease-purchase program last year was an affirmative decision to terminate the program. It has been over 3½ years since the Public Buildings Purchase Contract Act of 1954 was enacted, and only one building has been built.

The General Services Administration in 1958 requested \$335,000,000 from the Bureau of the Budget for public buildings construction by direct appropriation, and again asked \$400,000,000 this year, and was refused both times.

The Committee requested the General Accounting Office to prepare an analysis of the comparable costs of constructing buildings by direct appropriation and lease-purchase. The study indicates that it costs at least \$1.64 under lease-purchase to buy the same amount of building as \$1.00 does by direct appropriation.

During the hearing on the bill the Committee requested the Administrator of the General Services Administration not to bind the United States on any more lease-purchase contracts until the Committee advised him to the contrary. However, despite the Committee's request, and demonstrated savings under the direct appropriation method of construction, the Administrator ignored the request and within the last two weeks has signed two lease-purchase contracts and advises the Committee that he intends to sign 26 others.

The Committee also requested Mr. Stans, the new Director of the Bureau of the Budget, not to force the Administrator to enter into any commitments for lease-purchase which would obligate the United States. The Committee further advised him that the question whether the buildings would be constructed by direct appropriations would be settled by the Congress within a few days. Mr. Stans ignored the request stating that lease-purchase was an Administration policy. The Committee feels that the new Director was arbitrary and clearly showed no respect for the Congressional request.

Despite the action of the Bureau of the Budget in proceeding with the lease-purchase program the Committee is recommending a construction program financed by direct appropriations which saves many millions of dollars. A list of the projects for which construction funds are included in the bill and estimated cost if such projects were constructed by lease-purchase is as follows:

*Public buildings projects approved for construction in 1959*

Location	Direct appropriation cost	Lease-purchase cost
Alabama:		
Camden-----	\$270, 000	\$372, 780
Livingston-----	267, 000	383, 040
Arizona: Phoenix-----	7, 897, 000	15, 694, 860
Arkansas:		
Helena-----	920, 000	1, 271, 350
Hot Springs-----	1, 558, 000	2, 177, 350
Little Rock-----	8, 541, 000	16, 503, 400
California: Sacramento-----	10, 026, 000	21, 473, 010
Florida:		
Monticello-----	290, 000	399, 730
Ocala-----	1, 340, 000	1, 995, 440
Georgia:		
Brunswick-----	1, 210, 000	1, 618, 580
Milledgeville-----	577, 000	744, 980
Hawaii: Wailuku-----	728, 000	975, 560
Illinois: Benton-----	827, 000	1, 164, 550
Iowa: Fort Dodge-----	1, 981, 000	3, 964, 490
Kansas:		
Emporia-----	534, 000	746, 080
Leavenworth-----	968, 000	1, 324, 430
Sedan-----	200, 000	287, 770

*Public buildings projects approved for construction in 1959—Continued*

Location	Direct appropriation cost	Lease-purchase cost
Louisiana:		
Jonesboro.....	\$370, 000	\$506, 520
Lafayette.....	1, 066, 000	1, 429, 660
Lake Charles.....	1, 870, 000	3, 599, 530
Minden.....	347, 000	464, 930
New Orleans.....	19, 065, 000	38, 655, 140
Maryland: Denton.....	396, 000	522, 470
Minnesota:		
Bemidji.....	1, 093, 000	1, 621, 340
Brainerd.....	540, 000	794, 560
Minneapolis.....	5, 634, 000	13, 926, 180
Moorhead.....	494, 000	687, 190
Redwood Falls.....	430, 000	595, 360
St. Paul.....	8, 063, 000	16, 647, 220
Mississippi:		
Biloxi.....	1, 070, 000	1, 504, 650
Greenville.....	1, 120, 000	1, 578, 020
Laurel.....	770, 000	1, 090, 450
Missouri:		
Marshfield.....	300, 000	407, 700
Moberly.....	470, 000	651, 250
St. Louis, FOB.....	11, 641, 000	23, 345, 600
Nebraska: Omaha.....	9, 130, 000	18, 640, 540
New Hampshire: Durham.....	390, 000	569, 660
New York:		
Brooklyn.....	15, 091, 000	37, 982, 600
Jamestown.....	1, 769, 000	3, 845, 770
Pennsylvania: Beaver.....	294, 000	402, 720
South Carolina: Manning.....	340, 000	456, 100
South Dakota: Sisseton.....	480, 000	667, 220
Tennessee:		
Carthage.....	290, 000	400, 530
Kingsport.....	960, 000	1, 322, 450
Lafayette.....	270, 000	359, 080
Texas:		
Daingerfield.....	220, 000	294, 410
Gainesville.....	620, 000	873, 350
Houston.....	13, 814, 000	28, 231, 400
McKinney.....	440, 000	618, 830
Orange.....	593, 000	861, 670
San Marcos.....	463, 000	635, 520
Terrell.....	369, 000	506, 970
Victoria.....	1, 374, 000	1, 881, 850
Utah: Salt Lake City.....	9, 240, 000	18, 801, 340
Vermont: Burlington.....	2, 710, 000	5, 536, 960
Virginia:		
Abingdon.....	580, 000	748, 560
Portsmouth.....	3, 401, 000	6, 457, 630
Richmond.....	7, 737, 000	15, 068, 220
Waynesboro.....	360, 000	475, 040
West Virginia:		
Charleston.....	3, 670, 000	7, 187, 090
Huntington.....	3, 250, 000	6, 254, 930
Martinsburg.....	1, 300, 000	1, 740, 540
Mount Hope.....	600, 000	810, 100
Parkersburg.....	2, 837, 000	5, 265, 060
Ronceverte.....	240, 000	321, 260
Wisconsin: Green Bay.....	1, 550, 000	2, 093, 380
Total program (66 projects).....	177, 255, 000	348, 435, 950

The remaining 14 projects outside the District of Columbia which cannot be constructed until after 1959 even if funds were now provided is as follows:

*Public buildings projects outside the District of Columbia programmed for construction after 1959*

Location	Direct appropriation cost	Lease-purchase cost
Los Angeles, Calif.....	\$28,494,000	\$58,459,770
San Francisco, Calif.....	44,253,000	86,491,010
Denver, Colo.....	17,390,000	35,056,430
Hartford, Conn.....	7,857,000	15,728,030
Miami, Fla.....	7,285,000	14,692,290
Baltimore, Md.....	19,022,000	38,941,990
Boston, Mass.....	27,019,000	54,070,240
St. Louis, Mo.....	6,572,000	13,160,960
New York, N. Y.....	62,105,000	156,685,680
Cincinnati, Ohio.....	20,529,000	40,638,790
Toledo, Ohio.....	4,524,000	8,454,020
Oklahoma City, Okla.....	7,335,000	14,780,830
Pittsburgh, Pa.....	23,913,000	47,475,510
Dallas, Tex.....	15,137,000	30,291,960
Total program (14 projects).....	291,435,000	614,927,510

#### CIVIL SERVICE COMMISSION

The \$18,200,000 recommended for this Commission is a reduction of \$100,000 from the current year and \$220,000 less than the budget estimate. Recruiting and examining work for the Post Office Department will continue to be decentralized to postal examining boards, and an additional 90,000 applications for employment will therefore be removed from the Commission's workload in 1959. The Commission also will not be required to finance \$77,500 for personnel advisory services to the President. The Committee has approved funds within the total appropriation for more personnel to administer the retirement systems so this work may be kept current.

The bill contains \$350,000 for financing investigations of United States citizens for employment by international organizations, a reduction of \$33,000 in the budget estimate and \$141,800 less than the current appropriation. There is every indication the total number of security investigations made by the Civil Service Commission will continue to decline. If the number of investigations requested does not increase soon it is evident the staff of investigators the Commission has is out of line with actual need and immediate steps should be taken to correct this situation.

The bill contains \$2,300,000 for annuities for Panama Canal construction employees and Lighthouse Service widows, a reduction of \$28,000 in the budget estimate and \$60,000 less than the current year appropriation.

#### FEDERAL CIVIL DEFENSE ADMINISTRATION

The bill provides \$38,250,000 for civil defense in 1959, a reduction of \$1,050,000 from the 1958 appropriation and \$3,550,000 less than the estimate. This includes appropriations for three items, operations, emergency supplies and equipment, and research and development.

To finance the operations item the Committee recommends \$18,250,000, an increase of \$1,250,000 above the 1958 appropriation and \$1,150,000 below the budget estimate. Of the amount recommended, \$1,000,000 is for an increase in the regular program and \$250,000 is for civil defense functions delegated to other Federal agencies. In effecting its reduction of \$1,150,000 the Committee has taken cognizance of the 184 unfilled but funded positions available to the agency and also the request of \$1,029,699 for annualization of programs financed on a part-year basis in fiscal 1958. The Committee points out that at the time Congress acts on the annual appropriation bill of any agency it does so with the basic assumption that the funds provided are for the full year cost of all personnel and other programs contemplated for the ensuing fiscal year and does not expect any agency to return to Congress the following year with a request for funds to annualize the costs of personnel or programs.

The following agencies appeared before the Committee to request approximately \$1,860,000 to carry out civil defense responsibilities assigned to them by the Federal Civil Defense Administration: Department of Commerce; Corps of Engineers; Department of Health, Education, and Welfare; Post Office Department; Department of Labor; and the Housing and Home Finance Agency. The Department of Agriculture was represented, but stated it was not requesting additional funds. The Committee suggests other agencies absorb the cost as Agriculture has done, but has provided \$250,000 to FCDA for allocation to an agency where this is impossible and the function to be performed is absolutely essential.

The bill provides \$18 million to maintain approximately \$219 million in supplies and equipment that has been stockpiled in 43 warehouses. This item includes \$12,400,000 for reworking stored blood plasma, which primarily accounts for the increase over 1958. No additional procurement is provided for in 1959. In the hearings it was testified that \$6.7 million of antibiotics in the present stockpile are of no use and may have to be destroyed. This vividly demonstrates the need for better policy in the civil defense stockpile program before the stockpile is increased.

For research and development the Committee has approved \$2,000,000 of the \$4,400,000 requested. The estimate included \$800,000 for experimenting with a low frequency radio communications system which the Committee has denied. The Federal Communications Commission is already doing considerable work in this field.

#### FEDERAL COMMUNICATIONS COMMISSION

The bill provides \$8,900,000 for this Commission, which is a \$600,000 increase over 1958 and \$50,000 less than the budget estimate. The increase includes 45 additional positions in 1959 over the current year which are to be applied to eliminate during the year the backlog in AM radio and safety and special radio services activities.

## FEDERAL HOME LOAN BANK BOARD

The budget estimate of \$1,600,000 for administrative expenses of the Board has been approved. The \$6,343,000 request for expenses of the Examining Division has also been approved, which is an increase of \$678,000 over 1958.

The Committee has expressed its concern over the long time interval between examinations of Federal and State-chartered institutions since it first noted this deficiency in 1955 when the time interval was 16 months. Committee action on estimates for the Examining Division is noted below:

<i>Fiscal year</i>	<i>Budget estimate</i>	<i>Authorization</i>
1956-----	\$2, 870, 000	\$2, 995, 000
1957-----	3, 850, 000	4, 289, 000
1958-----	5, 665, 000	5, 665, 000
1959-----	6, 343, 000	6, 343, 000

Despite the increases provided each year and the assurances of the Board that it would reduce the time interval to a 12-month basis or less, the Committee is very surprised to learn that as of June 30, 1957, the average period between examinations was still 13 months. For 1959 the Board requests a further increase of \$678,000 for reducing the time interval to 12 months. The Committee has again approved the full increase requested this year, but for the last time without a definite improvement in results.

*Federal Savings and Loan Insurance Corporation.*—An administrative expense limitation of \$720,000 is allowed for the Corporation as proposed in the budget estimate. This is an increase of \$45,000 over the current year.

## FEDERAL POWER COMMISSION

The Committee has approved \$6,000,000 for the Commission in 1959, an increase of \$470,000 over the current year and a reduction of \$385,000 in the budget estimate. A supplemental appropriation is pending in the Congress to provide increased staff in the latter months of fiscal 1958 and the amount in the bill finances such staff on a full-year basis.

## FEDERAL TRADE COMMISSION

The Committee has approved \$5,950,000 for this item, the same amount as in 1958. A \$400,000 increase was provided for this agency last year and \$1,000,000 the year before. Such increases continued in 1959 should be adequate.

## GENERAL ACCOUNTING OFFICE

The bill provides \$37,000,000 for this Office, which is an increase of \$950,000 over the current appropriation and a reduction of \$1,300,000 in the amount requested. There are 5,405 employees at the present time, and the increase provided is for additional auditors in the field.

## GENERAL SERVICES ADMINISTRATION

*Operating expenses, Public Buildings Service.*—The bill provides \$133,039,000 for this item, the same amount as was appropriated in 1958 including funds recommended in the Second Supplemental Appropriation Bill for 1958 now pending in the Congress. This is a reduction of \$5,461,000 in the budget estimate. In providing the same amount as in the current year, the Committee is not convinced of the need for the increase requested in the budget estimates. Next year it wants a budget based on activities that are clearly defined with all necessary supporting detail on costs and showing number and location of personnel. The \$760,000 requested for Office of Defense Mobilization activities has been specifically denied.

*Repair and improvement, federally owned buildings.*—The Committee recommends \$75,000,000 for repairs and modernization of Government-owned buildings. This is \$25,000,000 more than the budget estimate and \$10,000,000 over the current year. This appropriation provides funds for keeping 4,600 Federal buildings with more than 101.3 million net square feet in proper condition. A backlog of work has been accumulating for seventeen years and today it totals \$472 million.

This program is particularly important at this time since unemployment has now reached 5 million. In view of this increasing unemployment problem, now is the time to get this job done, and attain a double objective. However, the GSA is urged to use sound business judgment in selecting projects. Some examples of uneconomical projects have been brought to the attention of the Committee.

*Sites and expenses, public buildings projects.*—The bill contains \$38,000,000 for expenses necessary in connection with acquiring sites and preparing plans for public buildings projects. This is an increase of \$18,000,000 over the amount appropriated in 1958 and the budget estimate for 1959, and is the amount the General Services Administration says is necessary to complete site acquisition and prepare plans for all presently approved public buildings projects.

The Committee has deleted the budget language for moving and rental costs for agencies to be displaced by new construction. This sites and planning item is intended specifically for acquiring sites and preparing plans. All necessary moving and other related costs should be financed by the Public Buildings Service.

The provision in the bill last year providing that no part of the sites and planning appropriation may be used for planning Federal office building number 7 in the District of Columbia has been continued for another year.

*Payments, public buildings purchase contracts.*—There is provided \$310,900 for payment of principal, interest, taxes and other expenses for four projects which will be completed during 1959. The four projects and the amount for each are: Rock Island, Illinois, \$132,300; Council Bluffs, Iowa, \$77,300; Kansas City, Kansas, \$30,400; and Burlington, Iowa, \$70,900.

*Construction, United States Court of Claims and Federal office building, Washington, D. C.; and Construction, United States mission building, New York, N. Y.*—The Committee has not allowed either \$1,200,000 for drawings and specifications for the building in the District of Columbia, or \$3,975,000 for construction of the building in New York City. All projects in the District of Columbia have

been deferred, and the Committee suggests that the New York project be reviewed and more consideration given to constructing a building that will make better use of the high cost land and more adequately serve the space needs of the Government in New York City.

*Operating expenses, Federal Supply Service.*—The Committee has provided a \$3,360,000 appropriation plus \$1,865,000 from proceeds received from disposition of surplus personal property for the Federal Supply Service. The total amount available is an increase of \$265,000 over the current year and a reduction of \$255,000 in the budget estimate. The entire increase is for the surplus personal property utilization and disposal program which is designed to increase the dollar return to the Government from sales of such surplus property.

*Expenses, supply distribution.*—The Committee recommends \$18,165,000 for this activity, which is a reduction of \$1,335,000 in the budget estimate and \$400,000 more than the 1958 appropriation. The entire amount of increase over 1958 is for stores operations, for which \$7,000,000 is provided. No part of the increase requested has been approved for administrative operations or the other activities financed by this item.

*General supply fund.*—The existing capitalization of this fund is \$78,900,000 and an increase of \$15,000,000 requested in the 1959 estimates has been denied. It is alleged that the General Services Administration has to wait at least 45 days for some agencies to pay their bills. The Committee has requested the Bureau of the Budget to urge all agencies to pay bills on time since they have the money available and thereby save appropriating the \$15,000,000 requested for additional capital.

*Operating expenses, National Archives and Records Service.*—For this activity the Committee recommends \$7,293,000, which is a reduction of \$357,000 in the budget estimate and the same amount as the appropriation for the current year.

*Operating expenses, Transportation and Public Utilities Service.*—The Committee recommends \$1,800,000 for this activity which is a reduction of \$200,000 in the budget estimate and an increase of \$285,000 over the 1958 appropriation. This Service received \$50,000 from the President's emergency fund in the current year, and a supplemental for \$75,000 is currently being considered by the Congress.

Last year this Service received the complete support of the General Accounting Office when the Committee asked if it is worth the money to the taxpayers.

This year Commissioner Hyde of the Federal Communications Commission described the role the GSA has in matters before the Commission as follows:

MR. HYDE. Our duty is to protect all users, private users, corporate users, Government users, when they appear before us in that capacity, to see that there are no discriminations favoring one class as against another; and we do endeavor to protect all, we will call them consumers in a collective way. That does not mean that any person who feels he has a view to urge should not seek to make a presentation in this kind of case.

MR. THOMAS. \* \* \* So you think they fulfill a useful purpose then?

Mr. HYDE. I believe they have a duty to watch out for their interests from their viewpoint, and that is not a duplication of our work.

*Strategic and critical materials.*—The Committee has denied the \$70,000,000 requested for additional funding for this program. Current stockpile needs are presently being restudied and a recent report by a special stockpile advisory committee contains the following statement:

The \$7,350,000,000 worth of strategic and critical materials in Government inventories, plus production in the United States and readily accessible foreign areas, with a few relatively minor exceptions could easily support an expanded defense industry for several war years.

The report also recommends that all stockpile planning should be revised to conform to the present policy which limits new procurement to meeting shortages for a three-year emergency period instead of the former five-year objectives.

A \$76,663,000 unobligated balance is anticipated at the end of this year and such amount plus recovery of certain other funds is more than adequate to finance the program in 1959 without additional funding. The bill contains no funds for reimbursement to the Commodity Credit Corporation or the Defense Production Act borrowing authority account. The net requirements for stockpiling which have been approved by the Committee are \$53,308,000 and include the following items:

	Budget estimate	Recommended
Net cost of rotation.....	\$10,184,000	\$10,184,000
Procurement of new materials by direct purchases.....	18,800,000	18,800,000
Storage, handling, and other charges related to custody of materials.....	23,203,900	21,000,000
Operating expenses.....	3,324,000	3,324,000
Total 1959 requirement.....	55,511,900	53,308,000

The Committee has expressed considerable interest to the General Services Administration in the nickel processing plant at Nicaro, Cuba, in view of the extensive Government investment and the importance of this plant to the national defense. It is therefore suggested that this Committee, or preferably the Committee on Armed Services, be kept advised on the status of this plant. Before further sizable sums are put into the project, or the property offered for sale, such action should also be specifically authorized by the Congress.

*Salaries and expenses, Office of the Administrator.*—The budget estimate of \$200,000 is approved for necessary expenses of executive direction of the General Services Administration. The estimate and amount approved are \$60,000 less than the current year due to the transfer of certain activities to other appropriation items.

*Administrative expenses, abaca fiber program.*—The bill contains a limitation of \$47,000 on administrative expenses for this program, the same amount as for the current year.

*Administrative expenses, Federal Facilities Corporation.*—The bill provides \$25,000 for administrative expenses of this Corporation. This is a reduction of \$25,000 in the estimate and the amount of limita-

tion in 1958. The Corporation has been liquidated for all practical purposes and the only workload is to make a periodic check of properties sold with a national security clause.

*Administrative expenses, Reconstruction Finance Corporation liquidation fund.*—The bill contains a limitation of \$42,500 for administrative expenses of this Corporation. This a reduction of \$11,500 in the budget estimate and \$12,500 less than the amount used in 1958. The workload in 1959 consists of financial and legal servicing of 5 loans, 15 leases and conditional sales agreements, and a few other miscellaneous items. This activity was transferred to the General Services Administration by Reorganization Plan No. 1 of 1957.

*Administrative operations fund.*—This item provides an overall limitation on the amount that may be used by the General Services Administration for a staff which provides financial, administrative, legal, legislative and informational services, and management supervision for all General Services Administration programs. Each appropriation finances part of the overall cost in proportion to the work which is attributable to such program. The bill provides \$10,700,000 for such services in 1959, which is a reduction of \$400,000 in the budget estimate but \$170,000 above the current authorization.

#### HOUSING AND HOME FINANCE AGENCY

*Office of the Administrator.*—The bill contains \$8,000,000 for salaries and expenses of the Office of the Administrator, which includes the operating programs of the Community Facilities Administration and the Urban Renewal Administration. The amount provided is an increase of \$620,000 over the current year and a reduction of \$850,000 in the budget estimate. The workload related to urban renewal activities has been increasing steadily as projects reach the construction stage, and \$6,000,000 is earmarked in the bill for administrative expenses for the urban renewal program. The Committee has specifically denied \$100,000 requested for defense planning activities.

*Urban planning grants.*—The bill provides \$3,000,000 for matching grants to State, metropolitan, or regional planning agencies to help finance urban renewal plans for small cities, and metropolitan and regional areas. The \$3,000,000 provided is a reduction of \$500,000 in the budget estimate and brings to \$8,775,000 the amount appropriated to date against the \$10,000,000 authorization.

*Reserve of planned public works (payment to revolving fund.)*—The bill provides \$7,000,000 for payment to the revolving fund established pursuant to section 702 of the Housing Act of 1954 and amended in 1955. This is a reduction of \$1,500,000 in the budget estimates and an increase of \$2,000,000 over the current year. A revolving fund of \$48,000,000 is authorized, and \$17,000,000 has previously been appropriated to the fund. This program provides loans to States and cities to develop plans and specifications for public works construction projects. The loan is repaid at the time construction begins.

*Capital grants for slum clearance and urban renewal.*—The Committee has approved the budget estimate for \$50,000,000 for this item. This appropriation finances two-thirds of the loss incurred by a local community in acquiring and clearing land for an urban renewal project. The contract authorization at the present time for such grants is \$1,350,000,000, and legislation has been introduced to increase the authorization to \$2,650,000,000 by fiscal year 1963. Appropriations will be required in the future to cover this total amount of contract

authorization as urban renewal projects now in planning stages get underway.

*Administrative expenses, college housing loans.*—The Committee has approved the budget estimate for \$1,675,000 for administrative expenses related to this program, which is an increase of \$298,000 over the current year. The increased amount for administrative expenses is for additional personnel as more projects reach the construction stage.

*Administrative expenses, public facility loans.*—The bill authorizes \$400,000 for administrative expenses related to loans to local governmental units for essential public works or facilities. This is the same amount as the current authorization and is a reduction of \$150,000 in the budget estimate.

*Administrative expenses, revolving fund (liquidating programs).*—The bill provides \$600,000 for administrative expenses of programs in the process of liquidation. Such amount includes \$142,000 for expenses related to six programs administered by the Community Facilities Administration under the Office of the Administrator, and \$458,000 is for the Public Housing Administration to service the portfolio of mortgages acquired in partial payment for properties in the emergency housing program which have been sold.

*Federal National Mortgage Association.*—The Committee has approved the budget estimate of \$4,750,000 for administrative expenses of this Association. This is also the same amount as is available for administrative expenses in the current year.

*Federal Housing Administration.*—The Committee has approved \$7,300,000 for administrative expenses of the Federal Housing Administration. This is a reduction of \$100,000 in the budget estimate but provides a \$40,000 increase over the current year. The bill also contains \$38,500,000 for nonadministrative expenses, which is \$500,000 less than the budget estimate and an increase of \$500,000 over the current year. This comparison includes the \$2,000,000 pending in the Congress as a supplemental appropriation for the current year.

The workload of the FHA has increased considerably in recent years as the Veterans Administration loan guaranty program has declined. This has been a large factor underlying the need for steadily increased administrative expenses. The Committee has specifically denied funds requested for defense mobilization and civil defense projects.

*Public Housing Administration.*—The Committee recommends an appropriation of \$107,500,000 for annual contributions payments on 401,214 low-rent public housing units, a reduction of \$6,500,000 in the budget estimate but an increase of \$12,500,000 in funds available for this purpose in the current fiscal year.

The bill also includes \$11,800,000 for administrative expenses of the Public Housing Administration. This is a reduction of \$400,000 in the budget estimate but an increase of \$360,000 over the 1958 appropriation. The \$50,000 requested for civil defense and defense mobilization activities is not allowed.

The budget requested an increase of 141 positions of which 6 were project auditors to supplement the present staff of 108 such employees who are located in seven regional offices. In addition, there is a central office staff of 26 employees who review the work of the 108 field auditors. Since the work of the project auditor is so important, the Committee suggests that the approved 70 additional positions be assigned to the field auditing branch, and that the central office

auditing review staff be drastically reduced and the personnel also assigned to field work. It is the Committee's opinion that the proposed action should result in a substantial reduction in the requirements for annual contributions appropriations in the next and succeeding budget years.

The same situation prevails in the management review and field coordination sections which have 105 employees in fiscal 1958 and the estimates include 32 additional employees in these sections. This is the staff that "promotes" the public housing activity. On the other hand, the operations engineering section which makes engineering surveys of local housing projects to determine whether proper maintenance of the projects is being followed, has only 47 employees. Since proper maintenance of the projects is essential if the Federal Government is not to be in a position of developing our slums of the future, the Committee directs that the management review and coordination staff be reduced and such positions be reassigned to the operations engineering staff.

The Committee is of the opinion that its emphasis on project auditing, inspection and maintenance is essential for the preservation of a sound public housing program.

#### INTERSTATE COMMERCE COMMISSION

The bill includes \$16,750,000 for salaries and expenses of the Commission. This is \$750,000 less than the budget estimate and provides the same amount as in the current year. The Committee has specifically denied \$225,000 for defense mobilization functions, which in effect provides a \$225,000 increase for other activities of the Commission. Appropriations for the ICC have increased substantially each year for several years and the effects of such increases should begin to be evidenced in increased efficiency and the decreasing need for increased appropriations.

Railroad safety and locomotive inspection activities are again earmarked in the bill at the budget amounts of \$1,405,100 and \$966,300 respectively. Such amounts provide modest increases over the current year.

#### NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

The bill provides \$78,100,000 for salaries and expenses, which is a reduction of \$2,380,000 in the budget estimate but an increase of \$7,100,000 over the current year. Such comparison does not include a supplemental request for 1958 which is pending in the Congress at the present time. The increase over 1958 includes \$1,056,000 for the full amount requested for electrical power to operate facilities. The Committee has also approved funds for 500 additional personnel.

For the construction and equipment appropriation the Committee considered budget estimates amounting to \$26,220,000 for twelve construction projects, and has approved \$23,000,000 for such purposes. The Committee notes the NACA construction record in the past and is confident it can complete the projects proposed within the total sum provided.

#### NATIONAL CAPITAL HOUSING AUTHORITY

The bill provides \$38,000 for the District of Columbia public housing authority for operating 112 low-rent housing units and 30 non-resi-

dential properties. In providing the same amount as in the current year, which is a reduction of \$7,500 in the budget estimate, the Committee has taken into account the management survey conducted by the Public Housing Administration which pointed out that management costs for the local authority are too high compared with other cities.

#### NATIONAL SCIENCE FOUNDATION

The budget estimate for the National Science Foundation in the coming year is \$140,000,000 and the Committee recommends \$115,000,000. This is \$25,000,000 less than the estimate and provides an increase of \$75,000,000 over the current year. The Committee has allowed the three major programs of the Foundation, which include grants to universities for basic research, fellowships to pre-doctoral and post-doctoral students, and institutes for training science and mathematics teachers, to be substantially expanded. During the hearings Dr. Waterman stated that expansion of old programs proposed in the budget estimates amount to something like \$107,000,000 out of the \$140,000,000 requested.

The Committee has approved \$107,000,000 for old programs, but requests the Foundation to concentrate its efforts on its three main programs because they are sound and good results will come from them. The Committee also suggests that the \$8,000,000 which it has included in the bill in excess of the sum provided for old programs be wisely distributed for development of only the most promising new programs, and if after further study they are of doubtful value they should not be started.

The items allowed this year for support of facilities are \$1,750,000 for support to biological research laboratories and \$350,000 for the National Radio Astronomy Observatory. The Committee has allowed no funds for the Southern Hemisphere astrograph, a solar research telescope, university research reactor and computing facilities, or the optical astronomy observatory.

#### RENEGOTIATION BOARD

The bill provides \$2,850,000 for this Board. This is a reduction of \$50,000 in the budget estimate and \$150,000 below 1958. In providing a lesser amount in 1959 the Committee notes that the workload of the Board is steadily declining.

#### SECURITIES AND EXCHANGE COMMISSION

The Committee has provided \$6,800,000 for the Commission next year, which is \$300,000 less than the budget estimate but an increase of \$100,000 over 1958. The increase will provide 15 new employees and the entire number approved is for the Commission's field staff.

#### SELECTIVE SERVICE SYSTEM

The bill provides \$27,500,000 for the Selective Service System, which is a reduction of \$500,000 in the budget estimate and an increase of \$500,000 for next year. The Committee has made no reduction in the \$20,196,000 requested to provide staff for local draft boards, and has earmarked such amount in the language of the bill.

## VETERANS ADMINISTRATION

*General operating expenses.*—This appropriation provides administrative expenses for general administration of the Veterans Administration, the Department of Veterans Benefits, and the Department of Insurance, but does not include administrative costs for the Department of Medicine and Surgery, which is provided for separately.

The bill provides \$147,500,000 for this item, a decrease of \$13,874,000 below the current year and \$2,082,000 less than the budget estimate. A lesser amount is provided next year because the workload for loan guaranty activities has declined drastically. Similarly, there will be a decline in vocational rehabilitation and education activities as an increasing number of veterans complete their training. Certain other factors in program trends indicate the workload will be smaller in 1959.

*Medical administration and miscellaneous operating expenses.*—The Committee recommends \$21,000,000 for this item, which is \$481,000 less than the budget estimate and \$763,400 less than the 1958 appropriation. This item includes \$10,344,000 earmarked in the bill for medical research and \$1,000,000 earmarked for prosthetic appliances. The balance of \$9,656,000 is for medical administration, administration of the construction program, and medical education and training.

*Inpatient care.*—The Committee has provided \$715,465,000 for care of eligible veterans in Veterans Administration and other hospitals. This is \$8,365,000 more than the budget estimate and \$13,465,000 more than the current year. During hearings it became evident that the budget estimate was inadequate to provide for the number of beds that would be required, and also would not provide the type of care for neuropsychiatric patients the Veterans Administration considered desirable. The Committee has therefore added \$5,000,000 over the budget estimate for improved medical care for mental patients, and \$3,365,000 for care of additional patients. The bill provides for treatment of 140,800 beneficiaries instead of 139,042 as proposed in the budget estimate.

*Outpatient care.*—The bill contains \$75,000,000 for this item. This is a reduction of \$798,000 in the budget estimate and \$4,000,000 less than the appropriation for the current year. The amount is predicated on a smaller workload for next year.

*Maintenance and operation of supply depots.*—The bill contains \$2,000,000 for the operation of supply depots, which is a reduction of \$136,000 in the budget estimate and an increase of \$210,000 over the current year. The increase over 1958 is due to the transfer of 50 employees from the central office to marketing division functions in the field.

*Compensation and pensions.*—The bill includes \$3,200,000,000 for payment of compensation and pensions to veterans in 1959. The amount provided is a reduction of \$32,000,000 in the budget estimate and is \$373,750,000 more than the appropriation in 1958. A carry-over of funds from 1958 currently estimated at from \$15,000,000 to \$25,000,000 will also be available.

*Readjustment benefits.*—The bill provides \$700,000,000 for this item, which is \$17,960,000 less than the budget estimate and \$84,047,000 less than the current year. More than \$600,000,000 of this appropriation is for training Korean conflict veterans, and the number of trainees is expected to drop from 540,000 to 460,000 next year.

*Veterans' insurance and indemnities.*—This item contains funds for payments of insurance claims of beneficiaries of veterans of World War I, World War II, and servicemen's indemnities in the Korean conflict previously carried in separate appropriation items. The bill contains the budget estimate of \$51,100,000 for this purpose.

*Grants to the Republic of the Philippines.*—The Committee recommends \$1,000,000 for payment to the Republic of the Philippines for the medical care and treatment of certain veterans in the Philippines. This is a reduction of \$250,000 in the budget estimate and \$500,000 below the current year. The legislation authorizing this appropriation provides for a decreasing payment each year until December 31, 1959, when the program is completed.

*Construction of hospital and domiciliary facilities.*—The Committee recommends \$19,145,000 for funding additional hospital construction and repair in 1959. This is \$10,000,000 in excess of the budget estimate but \$23,355,000 less than the appropriation this year.

The Committee cannot understand why it is taking so long to make any progress with the hospital renovation program. It certainly has not been due to lack of funds. The unobligated balance of construction funds at the present time is \$144,000,000. It will be \$105,000,000 at the beginning of fiscal year 1959. The Committee will expect an increased number of projects to proceed into construction without delay and will review the situation further next year.

The Committee has added \$10,000,000 over the budget to accelerate the modernization and improvement program for existing hospitals, and to make such other adjustments as are necessary in other projects.

#### LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended:

On page 4, line 12, in connection with the Civil Service Retirement and Disability Fund:

*Provided, That no part of the appropriations herein made and no part of the moneys now or hereafter contained in the civil-service retirement and disability fund shall be applied toward the payment of any increase in annuity benefits or any new annuity benefits under the Act approved May 22, 1920, and Acts amendatory thereof (5 U. S. C., ch. 30), which may be authorized by amendment to said Acts after the enactment of this Act until and unless an appropriation is made to such fund in an amount estimated by the Civil Service Commission to be sufficient to prevent an immediate increase in the unfunded accrued liability of said fund.*

On page 9, line 1, in connection with the General Accounting Office:  
*rental or lease of office space in foreign countries without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U. S. C. 529);*

On page 11, line 2, in connection with Sites and Expenses, Public Buildings Projects:

*Provided, That any unexpended balances of funds heretofore appropriated to the General Services Administration for sites and expenses or sites and planning shall be available for the purposes hereinabove set forth and may be consolidated with this appropriation:*

On page 11, line 19, in connection with Construction, Public Buildings Projects:

*, of which amount not to exceed \$700,000 shall be available for site and construction costs for the project at Milledgeville, Georgia.*

On page 12, line 2, in connection with Payments, Public Buildings Purchase Contracts:

*Provided, That hereafter no part of any funds in this or any other Act shall be used for payment for sites, planning or construction of any buildings by lease-purchase contracts except buildings used solely for post office purposes.*

On page 17, line 10, in connection with Housing and Home Finance Agency, Office of the Administrator:

*Provided, That of the foregoing amount \$6,000,000 shall be available for administrative expenses of urban renewal programs:*

On page 23, line 9, in connection with the Selective Service System:

*Appropriations for the Selective Service System may hereafter be used for the destruction of records accumulated under the Selective Training and Service Act of 1940, as amended, by the Director of Selective Service after compliance with the procedures for the destruction of records prescribed pursuant to the Records Disposal Act of 1943, as amended (44 U. S. C. 366-380): Provided, That no records may be transferred to any other agency without the approval of the Director of Selective Service.*

On page 28; line 4, in connection with Readjustment Benefits:

*Provided, That the unexpended balance as of June 30, 1958, in the appropriation for "Automobiles and other conveyances for disabled veterans", shall be merged with this appropriation.*

On page 28, line 14, in connection with Veterans Insurance and Indemnities:

*Provided, That the unexpended balances as of June 30, 1958, in the appropriations for "Military and naval insurance", "National service life insurance", and "Servicemen's indemnities" shall be merged with this appropriation: Provided further, That certain premiums provided by law to be credited to any of the above appropriations shall be credited to this appropriation: Provided further, That this appropriation shall be subject to the same statutory provisions and shall be available for the same purpose as formerly applied to the aforementioned appropriations.*

On page 29, line 14, in connection with Construction of Hospital and Domiciliary Facilities:

*Provided, That the unexpended balance as of June 30, 1958, in the appropriation for "Major alterations, improvements, and repairs" shall be merged with this appropriation.*

On page 34, line 17, in connection with Federal Home Loan Bank Board:

*(including payment for office space):*

## ADMINISTRATIVE EXPENSES

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authorizations, 1958	Budget estimates, 1959	Recommended in bill for 1959	Bill compared with—	
				1958 authorizations	1958 estimates
Federal Home Loan Bank Board.....	\$1, 250, 000	\$1, 600, 000	\$1, 600, 000	+ \$350, 000	-----
Federal Savings and Loan Insurance Corporation.....	675, 000	720, 000	720, 000	+ 45, 000	-----
General Services Administration:					
Abaca fiber program.....	47, 000	47, 000	47, 000	-----	-----
Federal Facilities Corporation.....	50, 000	50, 000	25, 000	- 25, 000	-\$25, 000
Reconstruction Finance Corporation Liquidation Fund.....	800, 000	54, 000	42, 500	- 757, 500	- 11, 500
Housing and Home Finance Agency:					
College housing loans.....	1, 377, 000	1, 675, 000	1, 675, 000	+ 298, 000	-----
Public facility loans.....	400, 000	550, 000	400, 000	-----	- 150, 000
Revolving fund (liquidating programs).....	1, 100, 000	673, 000	600, 000	- 500, 000	- 73, 000
Federal National Mortgage Association.....	4, 750, 000	4, 750, 000	4, 750, 000	-----	-----
Federal Housing Administration.....	7, 260, 000	7, 400, 000	7, 300, 000	+ 40, 000	- 100, 000
Public Housing Administration.....	<sup>1</sup> 12, 420, 000	<sup>1</sup> 12, 700, 000	<sup>1</sup> 12, 258, 000	<sup>1</sup> - 162, 000	<sup>1</sup> - 442, 000
Total, administrative expenses.....	17, 709, 000	17, 519, 000	17, 159, 500	- 549, 500	- 359, 500

<sup>1</sup> Includes funds available by appropriation in title I, and by transfer from the revolving fund (liquidating programs) and is not included in totals to avoid duplication.

PERMANENT AND INDEFINITE ANNUAL APPROPRIATIONS

Object	Appropriations, 1958	Budget estimates, 1959	Increase (+) or decrease (-)
Federal Power Commission: Payments to States under Federal Power Act-----	\$40, 000	\$41, 000	+ \$1, 000
General Services Administration: Expenses, Disposal of Surplus Real and Related Personal Property-----	1, 000, 000	1, 000, 000	-----
Total, permanent and indefinite appropriations-----	1, 040, 000	1, 041, 000	+ 1, 000

**COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1958, AND ESTIMATES AND AMOUNTS RECOMMENDED  
IN THE BILL FOR 1959**

Item	Appropriations, 1958	Budget estimates, 1959	Recommended in bill for 1959	Bill compared with—	
				1958 appropriation	1959 estimate
INDEPENDENT OFFICES					
CIVIL SERVICE COMMISSION					
Salaries and expenses-----	\$18, 300, 000	\$18, 420, 000	\$18, 200, 000	—\$100, 000	—\$220, 000
Investigations of United States citizens for employ- ment by international organizations-----	491, 800	383, 000	350, 000	—141, 800	—33, 000
Payment to civil service retirement and disability fund-----	-----	-----	589, 000, 000	+589, 000, 000	+589, 000, 000
Annuities, Panama Canal construction employees and Lighthouse Service widows-----	2, 360, 000	2, 328, 000	2, 300, 000	—60, 000	—28, 000
Administrative expenses, Federal Employees Life Insurance Fund-----	(123, 800)	(123, 800)	(123, 800)	-----	-----
Total, Civil Service Commission-----	21, 151, 800	21, 131, 000	609, 850, 000	+588, 698, 200	+588, 719, 000
FEDERAL CIVIL DEFENSE ADMINISTRATION					
Operations-----	17, 000, 000	19, 400, 000	18, 250, 000	+1, 250, 000	—1, 150, 000
Emergency supplies and equipment-----	3, 300, 000	18, 000, 000	18, 000, 000	+14, 700, 000	-----
Research and development-----	2, 000, 000	4, 400, 000	2, 000, 000	-----	—2, 400, 000

Federal contributions-----	17, 000, 000	-----	-----	-----	-17, 000, 000	-----
Total, Federal Civil Defense Administration--	39, 300, 000	41, 800, 000	38, 250, 000	-----	-1, 050, 000	-3, 550, 000
FUNDS APPROPRIATED TO THE PRESIDENT						
Disaster relief-----	25, 000, 000	-----	-----	-----	-25, 000, 000	-----
FEDERAL COMMUNICATIONS COMMISSION						
Salaries and expenses-----	8, 300, 000	8, 950, 000	8, 900, 000	-----	+600, 000	-50, 000
FEDERAL POWER COMMISSION						
Salaries and expenses-----	5, 530, 000	6, 385, 000	6, 000, 000	-----	+470, 000	-385, 000
FEDERAL TRADE COMMISSION						
Salaries and expenses-----	5, 950, 000	6, 025, 000	5, 950, 000	-----	-----	-75, 000
GENERAL ACCOUNTING OFFICE						
Salaries and expenses-----	36, 050, 000	38, 300, 000	37, 000, 000	-----	+950, 000	-1, 300, 000
GENERAL SERVICES ADMINISTRATION						
Operating expenses, Public Buildings Service-----	130, 339, 000	138, 500, 000	133, 039, 000	-----	+2, 700, 000	-5, 461, 000
Repair and improvement, federally owned buildings--	65, 000, 000	50, 000, 000	75, 000, 000	-----	+10, 000, 000	+25, 000, 000
Sites and expenses, public buildings projects-----	20, 000, 000	20, 000, 000	38, 000, 000	-----	+18, 000, 000	+18, 000, 000
Construction, public buildings projects-----	2, 125, 000	-----	177, 255, 000	-----	+175, 130, 000	+177, 255, 000
Payments, public buildings purchase contracts-----	1, 331, 100	1, 265, 000	310, 900	-----	-1, 020, 200	-954, 100
Construction, United States Court of Claims and Federal Office Building, Washington, D. C.-----	-----	1, 200, 000	-----	-----	-----	-1, 200, 000

*Comparative statement of appropriations for 1958, and estimates and amounts recommended in the bill for 1959—Continued*

Item	Appropriations, 1958	Budget estimates, 1959	Recommended in bill for 1959	Bill compared with—	
				1958 appropriation	1959 estimate
INDEPENDENT OFFICES—Continued					
GENERAL SERVICES ADMINISTRATION—continued					
Construction, United States Mission Building, New York, N. Y.-----		\$3, 975, 000			—\$3, 975, 000
Hospital facilities in the District of Columbia-----	\$2, 000, 000			—\$2, 000, 000	-----
Operating expenses, Federal Supply Service-----	13, 360, 000	23, 615, 000	23, 360, 000		—255, 000
Expenses, supply distribution-----	17, 765, 000	19, 500, 000	18, 165, 000	+400, 000	—1, 335, 000
General supply fund-----	12, 500, 000	15, 000, 000		—12, 500, 000	—15, 000, 000
Operating expenses, National Archives and Records Service-----	7, 293, 000	7, 650, 000	7, 293, 000		—357, 000
Operating expenses, Transportation and Public Utilities Service-----	1, 515, 000	2, 000, 000	1, 800, 000	+285, 000	—200, 000
Strategic and critical materials-----		70, 000, 000	( <sup>3</sup> )		—70, 000, 000
Salaries and expenses, Office of Administrator-----	260, 000	200, 000	200, 000	—60, 000	-----
Administrative operations fund (limitation)-----	(10, 530, 000)	(11, 100, 000)	(10, 700, 000)	(+170, 000)	(—400, 000)
Total, General Services Administration-----	263, 488, 100	332, 905, 000	454, 422, 900	+190, 934, 800	+121, 517, 900

## HOUSING AND HOME FINANCE AGENCY

## Office of the Administrator:

Salaries and expenses.....	7, 380, 000	8, 850, 000	8, 000, 000	+ 620, 000	- 850, 000
Urban planning grants.....	1, 275, 000	3, 500, 000	3, 000, 000	+ 1, 725, 000	- 500, 000
Farm Housing Research.....	75, 000			- 75, 000	
Reserve of planned public works (payment to revolving fund).....	5, 000, 000	8, 500, 000	7, 000, 000	+ 2, 000, 000	- 1, 500, 000
Capital grants for slum clearance and urban renewal.....		50, 000, 000	50, 000, 000	+ 50, 000, 000	
Total, Office of the Administrator.....	13, 730, 000	70, 850, 000	68, 000, 000	+ 54, 270, 000	- 2, 850, 000

## Public Housing Administration:

Annual contributions.....	95, 000, 000	114, 000, 000	107, 500, 000	+ 12, 500, 000	- 6, 500, 000
Administrative expenses.....	11, 440, 000	12, 200, 000	11, 800, 000	+ 360, 000	- 400, 000
Total, Public Housing Administration.....	106, 440, 000	126, 200, 000	119, 300, 000	+ 12, 860, 000	- 6, 900, 000
Total, Housing and Home Finance Agency.....	120, 170, 000	197, 050, 000	187, 300, 000	+ 67, 130, 000	- 9, 750, 000

## INTERSTATE COMMERCE COMMISSION

Salaries and expenses.....	16, 750, 000	17, 500, 000	16, 750, 000		- 750, 000
----------------------------	--------------	--------------	--------------	--	------------

## NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Salaries and expenses.....	71, 000, 000	80, 480, 000	78, 100, 000	+ 7, 100, 000	- 2, 380, 000
----------------------------	--------------	--------------	--------------	---------------	---------------

<sup>1</sup> And \$1,600,000 from proceeds of surplus personal property disposal.<sup>2</sup> And \$1,865,000 from proceeds of surplus personal property disposal.<sup>3</sup> Language.

*Comparative statement of appropriations for 1958, and estimates and amounts recommended in the bill for 1959—Continued*

Item	Appropriations, 1958	Budget estimates, 1959	Recommended in bill for 1959	Bill compared with—	
				1958 appropriation	1959 estimate
INDEPENDENT OFFICES—Continued					
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS— continued					
Construction and equipment-----	\$35, 000, 000	\$26, 220, 000	\$23, 000, 000	—\$12, 000, 000	—\$3, 220, 000
Total, National Advisory Committee for Aeronautics-----	106, 000, 000	106, 700, 000	101, 100, 000	—4, 900, 000	—5, 600, 000
NATIONAL CAPITAL HOUSING AUTHORITY					
Operation and maintenance of properties-----	38, 000	45, 500	38, 000	-----	—7, 500
NATIONAL SCIENCE FOUNDATION					
Salaries and expenses-----	40, 000, 000	140, 000, 000	115, 000, 000	+75, 000, 000	—25, 000, 000
RENEGOTIATION BOARD					
Salaries and expenses-----	3, 000, 000	2, 900, 000	2, 850, 000	—150, 000	—50, 000
SECURITIES AND EXCHANGE COMMISSION					
Salaries and expenses-----	6, 700, 000	7, 100, 000	6, 800, 000	+100, 000	—300, 000
SELECTIVE SERVICE SYSTEM					
Salaries and expenses-----	27, 000, 000	28, 000, 000	27, 500, 000	+500, 000	—500, 000

VETERANS ADMINISTRATION					
General operating expenses-----	161, 374, 000	149, 582, 000	147, 500, 000	-13, 874, 000	-2, 082, 000
Medical administration and miscellaneous operating expenses-----	21, 763, 400	21, 481, 000	21, 000, 000	-763, 400	-481, 000
Inpatient care-----	4 702, 000, 000	707, 100, 000	715, 465, 000	+13, 465, 000	+8, 365, 000
Outpatient care-----	79, 000, 000	75, 798, 000	75, 000, 000	-4, 000, 000	-798, 000
Maintenance and operation of supply depots-----	1, 790, 000	2, 136, 000	2, 000, 000	+210, 000	-136, 000
Compensation and pensions-----	2, 826, 250, 000	3, 232, 000, 000	3, 200, 000, 000	+373, 750, 000	-32, 000, 000
Readjustment benefits-----	784, 047, 000	717, 960, 000	700, 000, 000	-84, 047, 000	-17, 960, 000
Veterans insurance and indemnities-----	-----	51, 100, 000	51, 100, 000	+51, 100, 000	-----
Grants to the Republic of the Philippines-----	1, 500, 000	1, 250, 000	1, 000, 000	-500, 000	-250, 000
Construction of hospital and domiciliary facilities-----	42, 500, 000	9, 145, 000	19, 145, 000	-23, 355, 000	+10, 000, 000
Major alterations, improvements, and repairs-----	2, 028, 000	-----	-----	-2, 028, 000	-----
Military and naval insurance-----	4, 275, 000	-----	-----	-4, 275, 000	-----
National service life insurance-----	7, 600, 000	-----	-----	-7, 600, 000	-----
Servicemen's indemnities-----	29, 877, 500	-----	-----	-29, 877, 500	-----
Service-disabled veterans insurance fund-----	1, 500, 000	-----	-----	-1, 500, 000	-----
Total, Veterans Administration-----	4, 665, 504, 900	4, 967, 552, 000	4, 932, 210, 000	+266, 705, 100	-35, 342, 000
Total, title I-----	5, 389, 932, 800	5, 922, 343, 500	6, 549, 920, 900	+1, 159, 988, 100	+627, 577, 400

<sup>4</sup> And in addition \$6,656,000 from reimbursements.



Union Calendar No. 607

85<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 11574

[Report No. 1543]

---

## IN THE HOUSE OF REPRESENTATIVES

MARCH 21, 1958

Mr. THOMAS, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

## A BILL

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

1        *Be it enacted by the Senate and House of Representa-*  
2        *tives of the United States of America in Congress assembled,*  
3        That the following sums are appropriated, out of any money  
4        in the Treasury not otherwise appropriated, for sundry  
5        independent executive bureaus, boards, commissions, cor-  
6        porations, agencies, and offices, for the fiscal year ending  
7        June 30, 1959, namely:

1                   TITLE I—INDEPENDENT OFFICES  
2                   CIVIL SERVICE COMMISSION  
3                   SALARIES AND EXPENSES

4           For necessary expenses, including not to exceed \$22,000  
5 for services as authorized by section 15 of the Act of August  
6 2, 1946 (5 U. S. C. 55a) ; not to exceed \$10,000 for  
7 medical examinations performed for veterans by private  
8 physicians on a fee basis; not to exceed \$100 for the pur-  
9 chase of newspapers and periodicals (excluding scientific,  
10 technical, trade or traffic periodicals, for official use) ; pay-  
11 ment in advance for library membership in societies whose  
12 publications are available to members only or to members at  
13 a price lower than to the general public; not to exceed  
14 \$70,000 for performing the duties imposed upon the Com-  
15 mission by the Act of July 19, 1940 (54 Stat. 767) ; re-  
16 imbursement of the General Services Administration for  
17 security guard services for protection of confidential files; not  
18 to exceed \$472,000 for expenses of travel; and not to exceed  
19 \$5,000 for actuarial services by contract, without regard to  
20 section 3709, Revised Statutes, as amended; \$18,200,000.

21           No part of the appropriations herein made to the Civil  
22 Service Commission shall be available for the salaries and  
23 expenses of the Legal Examining Unit in the Examining and  
24 Personnel Utilization Division of the Commission, established  
25 pursuant to Executive Order 9358 of July 1, 1943.

1 INVESTIGATION OF UNITED STATES CITIZENS FOR EM-  
2 PLOYMENT BY INTERNATIONAL ORGANIZATIONS

3 For expenses necessary to carry out the provisions of  
4 Executive Order No. 10422 of January 9, 1953, as amended,  
5 prescribing procedures for making available to the Secretary  
6 General of the United Nations, and the executive heads of  
7 other international organizations, certain information con-  
8 cerning United States citizens employed, or being considered  
9 for employment by such organizations, including services as  
10 authorized by section 15 of the Act of August 2, 1946  
11 (5 U. S. C. 55a), \$350,000: *Provided*, That this appro-  
12 priation shall be available for advances or reimbursements  
13 to the applicable appropriations or funds of the Civil Service  
14 Commission and the Federal Bureau of Investigation for  
15 expenses incurred by such agencies under said Executive  
16 order: *Provided further*, That members of the International  
17 Organizations Employees Loyalty Board may be paid actual  
18 transportation expenses, and per diem in lieu of subsistence  
19 authorized by the Travel Expense Act of 1949, as amended,  
20 while traveling on official business away from their homes or  
21 regular places of business, including periods while en route  
22 to and from and at the place where their services are to be  
23 performed: *Provided further*, That nothing in sections 281 or  
24 283 of title 18, United States Code, or in section 190 of the  
25 Revised Statutes (5 U. S. C. 99) shall be deemed to apply

1 to any person because of appointment for part-time or inter-  
2 mittent service as a member of the International Organiza-  
3 tions Employees Loyalty Board in the Civil Service Com-  
4 mission as established by Executive Order 10422, dated  
5 January 9, 1953, as amended.

6 PAYMENT TO CIVIL SERVICE RETIREMENT AND DIS-  
7 ABILITY FUND

8 For financing the liability of the United States, created  
9 by the Act approved May 22, 1920, and Acts amendatory  
10 thereof (5 U. S. C., ch. 30), \$589,000,000, which amount  
11 shall be placed to the credit of the civil-service retirement  
12 and disability fund: *Provided*, That no part of the appropria-  
13 tions herein made and no part of the moneys now or here-  
14 after contained in the civil-service retirement and disability  
15 fund shall be applied toward the payment of any increase  
16 in annuity benefits or any new annuity benefits under the  
17 Act approved May 22, 1920, and Acts amendatory thereof  
18 (5 U. S. C., ch. 30) which may be authorized by amend-  
19 ment to said Acts after the enactment of this Act until and  
20 unless an appropriation is made to such fund in an amount  
21 estimated by the Civil Service Commission to be sufficient  
22 to prevent an immediate increase in the unfunded accrued  
23 liability of said fund.

1 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES  
2 AND LIGHTHOUSE SERVICE WIDOWS

3 For payment of annuities authorized by the Act of  
4 May 29, 1944, as amended (48 U. S. C. 1373a), and the  
5 Act of August 19, 1950 (64 Stat. 465), \$2,300,000.

6 LIMITATION ON ADMINISTRATIVE EXPENSES, EM-  
7 PLOYEES' LIFE INSURANCE FUND

8 Not to exceed \$123,800 of the funds in the "Employees'  
9 Life Insurance Fund" shall be available for reimbursement  
10 to the Civil Service Commission for administrative expenses  
11 incurred by the Commission during the current fiscal year  
12 in the administration of the Federal Employees' Group Life  
13 Insurance Act.

14 FEDERAL CIVIL DEFENSE ADMINISTRATION  
15 OPERATIONS

16 For necessary expenses, not otherwise provided for,  
17 in carrying out the provisions of the Federal Civil De-  
18 fense Act of 1950, as amended (50 U. S. C., App. 2251-  
19 2297), including services as authorized by section 15 of  
20 the Act of August 2, 1946 (5 U. S. C. 55a); reim-  
21 bursement of the Civil Service Commission for full field  
22 investigations of employees occupying positions of critical  
23 importance from the standpoint of national security; ex-

1   penses of attendance at meetings concerned with civil defense  
2   functions; reimbursement of the General Services Adminis-  
3   tration for security guard services; not to exceed \$6,000  
4   for the purchase of newspapers, periodicals, and teletype  
5   news services; not to exceed \$815,000 for expenses of  
6   travel; and not to exceed \$6,000 for emergency and  
7   extraordinary expenses to be expended under the direc-  
8   tion of the Administrator for such purposes as he deems  
9   proper, and his determination thereon shall be final and  
10  conclusive; \$18,250,000: *Provided*, That \$250,000 of the  
11  foregoing amount shall be available to discharge civil defense  
12  responsibilities delegated to other Federal agencies under the  
13  authority of section 201 (b) of the Federal Civil Defense  
14  Act of 1950, as amended.

15                   EMERGENCY SUPPLIES AND EQUIPMENT

16       For expenses necessary for warehousing and mainte-  
17  nance of emergency civil defense materials as authorized by  
18  subsection (h) of section 201 of the Federal Civil Defense  
19  Act of 1950, as amended, \$18,000,000.

20                   RESEARCH AND DEVELOPMENT

21       For expenses, not otherwise provided for, necessary for  
22  studies and research to develop measures and plans for  
23  evacuation, shelter, and the protection of life and property,  
24  as authorized by section 201 (d) of the Federal Civil De-  
25  fense Act of 1950, as amended, including services as au-

1 thorized by section 15 of the Act of August 2, 1946 (5  
2 U. S. C. 55a), \$2,000,000, to remain available until ex-  
3 pended.

4 No part of any appropriation in this Act shall be avail-  
5 able for the construction of warehouses or for the lease of  
6 warehouse space in any building which is to be constructed  
7 specifically for the use of the Federal Civil Defense Adminis-  
8 tration.

## 9 FEDERAL COMMUNICATIONS COMMISSION

### 10 SALARIES AND EXPENSES

11 For necessary expenses in performing the duties of the  
12 Commission as authorized by law, including newspapers  
13 (not to exceed \$200), land and structures (not to exceed  
14 \$120,000), special counsel fees, improvement and care of  
15 grounds and repairs to buildings (not to exceed \$15,400),  
16 services as authorized by section 15 of the Act of August  
17 2, 1946 (5 U. S. C. 55a), purchase of not to exceed three  
18 passenger motor vehicles for replacement only, and not to  
19 exceed \$107,470 for expenses of travel, \$8,900,000.

## 20 FEDERAL POWER COMMISSION

### 21 SALARIES AND EXPENSES

22 For expenses necessary for the work of the Commission,  
23 as authorized by law, including not to exceed \$350,000 for  
24 expenses of travel; hire of passenger motor vehicles; and not  
25 to exceed \$500 for newspapers; \$6,000,000, of which not

1 to exceed \$10,000 shall be available for special counsel and  
2 services as authorized by section 15 of the Act of August 2,  
3 1946 (5 U. S. C. 55a), but at rates not exceeding \$50 per  
4 diem for individuals: *Provided*, That not to exceed \$307,400  
5 shall be available for investigations relating to Federal river  
6 development projects.

## 7 FEDERAL TRADE COMMISSION

### 8 SALARIES AND EXPENSES

9 For necessary expenses of the Federal Trade Commis-  
10 sion, including uniforms or allowances therefor, as authorized  
11 by law (5 U. S. C. 2131), not to exceed \$700 for news-  
12 papers, services as authorized by section 15 of the Act of  
13 August 2, 1946 (5 U. S. C. 55a), and not to exceed  
14 \$251,250 for expenses of travel, \$5,950,000: *Provided*, That  
15 no part of the foregoing appropriation shall be expended  
16 upon any investigation hereafter provided by concurrent  
17 resolution of the Congress until funds are appropriated sub-  
18 sequently to the enactment of such resolution to finance the  
19 cost of such investigation.

## 20 GENERAL ACCOUNTING OFFICE

### 21 SALARIES AND EXPENSES

22 For necessary expenses of the General Accounting Of-  
23 fice, including newspapers and periodicals (not exceeding

1 \$500) ; rental or lease of office space in foreign countries  
2 without regard to the provisions of section 3648 of the  
3 Revised Statutes, as amended (31 U. S. C. 529) ; not to  
4 exceed \$2,000,000 for expenses of travel; and services as  
5 authorized by section 15 the Act of August 2, 1946 (5  
6 U. S. C. 55a) ; \$37,000,000.

## 7 GENERAL SERVICES ADMINISTRATION

### 8 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

9 For necessary expenses of real property management  
10 and related activities as provided by law ; furnishings and equip-  
11 ment ; rental of buildings in the District of Columbia ; restora-  
12 tion of leased premises ; moving Government agencies (includ-  
13 ing space adjustments) in connection with the assignment, allo-  
14 cation, and transfer of building space ; acquisition by pur-  
15 chase or otherwise and disposal by sale or otherwise of real  
16 estate and interests therein ; payments in lieu of taxes pur-  
17 suant to the Act of August 12, 1955 (40 U. S. C. 521) ;  
18 and not to exceed \$222,000 for expenses of travel ; \$133,-  
19 039,000: *Provided*, That this appropriation shall be avail-  
20 able, without regard to section 322 of the Act of June 30,  
21 1932, as amended (40 U. S. C. 278a), with respect to  
22 buildings or parts thereof, heretofore leased under the ap-  
23 propriation for "Emergency operating expenses".

## 1       REPAIR AND IMPROVEMENT, FEDERALLY OWNED

## 2                               BUILDINGS

3       For expenses necessary for the repair, alteration, preser-  
4 vation, renovation, improvement, extension, equipment, and  
5 demolition of federally owned buildings and buildings oc-  
6 cupied pursuant to the Public Buildings Purchase Contract  
7 Act of 1954 (40 U. S. C. 356), not otherwise provided for,  
8 including grounds, approaches and appurtenances, wharves  
9 and piers, together with the necessary dredging adjacent  
10 thereto; acquisition of land as authorized by title III of the  
11 Act of June 16, 1949 (40 U. S. C. 297) ; not to exceed  
12 \$300,000 for expenses of travel; and care and safeguarding  
13 of sites acquired for Federal buildings; \$75,000,000, to re-  
14 main available until expended.

## 15    SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

16       For expenses necessary in connection with construction  
17 of approved public buildings projects not otherwise pro-  
18 vided for, including preparation of drawings and specifica-  
19 tions, by contract or otherwise; acquisition of sites, including  
20 soil investigations and tests; not to exceed \$200,000 for  
21 expenses of travel; administrative expenses; and for pre-  
22 liminary planning of public buildings projects; \$38,000,000,  
23 to remain available until expended, and not to exceed  
24 \$500,000 of this amount shall be available for construction  
25 of small public buildings projects outside the District of

1 Columbia pursuant to the Public Buildings Act of May 25,  
2 1926, as amended (40 U. S. C. 341) : *Provided*, That any  
3 unexpended balances of funds heretofore appropriated to  
4 the General Services Administration for sites and expenses  
5 or sites and planning shall be available for the purposes  
6 hereinabove set forth and may be consolidated with this  
7 appropriation: *Provided further*, That no part of such funds  
8 shall be used during the current fiscal year for preparation  
9 of drawings and specifications, acquisition of sites, design,  
10 planning, construction, or in any other manner for or in  
11 connection with proposed Federal office building numbered  
12 7 on square 167 in the District of Columbia (project num-  
13 bered 3-DC-05, General Services Administration prospectus  
14 submitted July 13, 1956).

15 CONSTRUCTION, PUBLIC BUILDINGS PROJECTS  
16 For construction of public buildings projects outside the  
17 District of Columbia pursuant to the Public Buildings Act  
18 of May 25, 1926, as amended (40 U. S. C. 341),  
19 \$177,255,000, to remain available until expended, of which  
20 amount not to exceed \$700,000 shall be available for site  
21 and construction costs for the project at Milledgeville,  
22 Georgia.

23 PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS  
24 For payments of principal, interest, taxes, and any other  
25 obligations under contracts entered into pursuant to the Pub-

1   lic Buildings Purchase Contract Act of 1954 (40 U. S. C.  
2   356), \$310,900: *Provided*, That hereafter no part of any  
3   funds in this or any other Act shall be used for payment for  
4   sites, planning or construction of any buildings by lease-  
5   purchase contracts except buildings used solely for post  
6   office purposes.

7       OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

8       For necessary expenses of personal property manage-  
9   ment and related activities as authorized by law and not  
10  otherwise provided for; including not to exceed \$300 for  
11  the purchase of newspapers and periodicals; and not to  
12  exceed \$85,700 for expenses of travel; \$3,360,000:  
13  *Provided*, That to exceed \$1,865,000 of any funds received  
14  during the current or preceding fiscal year for deposit under  
15  section 204 (a) of the Federal Property and Administrative  
16  Services Act of 1949, as amended, and not otherwise dis-  
17  posed of by law, shall be deposited to the credit of this  
18  appropriation and shall be available for necessary expenses  
19  in carrying out the functions of the General Services Admin-  
20  istration under the said Act, with respect to the utilization  
21  and disposal of excess and surplus personal property, in-  
22  cluding not to exceed \$145,000 for expenses of travel.

23               EXPENSES, SUPPLY DISTRIBUTION

24       For expenses, not otherwise provided, necessary for  
25  operation of the stores depot system and other procurement  
26  services, including contractual services incident to receiving,

1 handling, and shipping warehouse items; not to exceed \$250  
2 for purchase of newspapers and periodicals; and not to ex-  
3 ceed \$120,000 for expenses of travel; \$18,165,000.

4 OPERATING EXPENSES, NATIONAL ARCHIVES AND  
5 RECORDS SERVICE

6 For necessary expenses in connection with Federal  
7 records management and related activities as provided by  
8 law; and not to exceed \$50,000 for expenses of travel;  
9 \$7,293,000.

10 OPERATING EXPENSES, TRANSPORTATION AND PUBLIC  
11 UTILITIES SERVICE

12 For necessary expenses of transportation and public  
13 utilities management and related activities, as provided by  
14 law, including not to exceed \$60,000 for expenses of travel;  
15 and services as authorized by section 15 of the Act of August  
16 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$75  
17 per diem for individuals; \$1,800,000.

18 STRATEGIC AND CRITICAL MATERIALS

19 Funds available for carrying out the provisions of the  
20 Strategic and Critical Materials Stock Piling Act of July  
21 23, 1946, during the current fiscal year shall be available for  
22 services as authorized by section 15 of the Act of August 2,  
23 1946 (5 U. S. C. 55a), not to exceed \$3,324,000 for  
24 operating expenses, not to exceed \$86,000 for expenses of  
25 travel, and necessary expenses for transportation and han-

1 dling, within the United States (including charges at United  
 2 States ports), storage, security, and maintenance of strategic  
 3 and critical materials acquired for or transferred to the sup-  
 4 plemental stockpile established pursuant to section 104 (b)  
 5 of the Agricultural Trade Development and Assistance Act  
 6 of 1954 (7 U. S. C. 1704 (b)) : *Provided*, That any funds  
 7 received as proceeds from sale or other disposition of ma-  
 8 terials on account of the rotation of stocks under said Act  
 9 shall be deposited to the credit, and be available for expendi-  
 10 ture for the purposes, of this appropriation: *Provided further*,  
 11 That during the current fiscal year, there shall be no limita-  
 12 tion on the value of surplus strategic and critical materials  
 13 which, in accordance with subsection 6 (a) of the Act of  
 14 July 23, 1946 (50 U. S. C. 98e (a)), may be transferred  
 15 to stockpiles established in accordance with said Act: *Pro-*  
 16 *vided further*, That no part of funds available shall be used  
 17 for construction of warehouses or tank storage facilities.

#### 18 SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR

19 For expenses of executive direction for activities under the  
 20 control of the General Services Administration, including  
 21 not to exceed \$7,000 for expenses of travel, and not to exceed  
 22 \$250 for purchase of newspapers and periodicals; \$200,000.

#### 23 ADMINISTRATIVE OPERATIONS FUND

24 Funds available to General Services Administration for ad-  
 25 ministrative operations, in support of program activities, shall

1 be expended and accounted for, as a whole, through a single  
2 fund, which is hereby authorized: *Provided*, That costs and obli-  
3 gations for such administrative operations for the respective pro-  
4 gram activities shall be accounted for in accordance with sys-  
5 tems approved by the General Accounting Office: *Provided*  
6 *further*, That the total amount deposited into said account for  
7 the fiscal year 1959 from funds made available to General  
8 Services Administration in this Act shall not exceed \$10,700,-  
9 000, of which not to exceed \$170,000 may be used for travel  
10 expenses: *Provided further*, That amounts deposited into said  
11 account for administrative operations for each program shall  
12 not exceed the amounts included in the respective program  
13 appropriations for such purposes.

14 The appropriate appropriation or fund available to the  
15 General Services Administration shall be credited with (1)  
16 cost of operation, protection, maintenance, upkeep, repair,  
17 and improvement, included as part of rentals received from  
18 Government corporations pursuant to law (40 U. S. C.  
19 129) ; (2) reimbursements for services performed in respect  
20 to bonds and other obligations under the jurisdiction of the  
21 General Services Administration, issued by public authorities,  
22 States, or other public bodies, and such services in respect  
23 to such bonds or obligations as the Administrator deems nec-  
24 essary and in the public interest may, upon the request and  
25 at the expense of the issuing agencies, be provided from the

1 appropriate foregoing appropriation; and (3) appropria-  
2 tions or funds available to other agencies, and transferred  
3 to the General Services Administration, in connection with  
4 property transferred to the General Services Administration  
5 pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff),  
6 and such appropriations or funds may, with the approval of  
7 the Bureau of the Budget, be so transferred.

8 Funds available to the General Services Administration  
9 shall be available for the hire of passenger motor vehicles.

10 No part of any money appropriated by this or any other  
11 Act for any agency of the executive branch of the Govern-  
12 ment shall be used during the current fiscal year for the pur-  
13 chase within the continental limits of the United States of any  
14 typewriting machines except in accordance with regulations  
15 issued pursuant to the provisions of the Federal Property  
16 and Administrative Services Act of 1949, as amended.

17 Not to exceed 2 per centum of any appropriation made  
18 available to the General Services Administration for the cur-  
19 rent fiscal year by this Act may be transferred to any other  
20 such appropriation, but no such appropriation shall be there-  
21 by increased more than 2 per centum: *Provided*, That such  
22 transfers shall apply only to operating expenses, and shall  
23 not exceed in the aggregate the amount of \$2,000,000.

## 1 HOUSING AND HOME FINANCE AGENCY

## 2 OFFICE OF THE ADMINISTRATOR

## 3 SALARIES AND EXPENSES

4 For necessary expenses of the Office of the Administra-  
5 tor, including rent in the District of Columbia; services as  
6 authorized by section 15 of the Act of August 2, 1946  
7 (5 U. S. C. 55a) ; not to exceed \$400,000 for expenses  
8 of travel; and expenses of attendance at meetings of organi-  
9 zations concerned with the work of the Agency; \$8,000,000:  
10 *Provided*, That of the foregoing amount \$6,000,000 shall  
11 be available for administrative expenses of urban renewal  
12 programs: *Provided further*, That necessary expenses of  
13 inspections and of providing representatives at the site of  
14 projects being planned or undertaken by local public agencies  
15 pursuant to title I of the Housing Act of 1949, as amended,  
16 projects financed through loans to educational institutions  
17 authorized by title IV of the Housing Act of 1950, as  
18 amended, and projects and facilities financed by loans to  
19 public agencies pursuant to title II of the Housing Amend-  
20 ments of 1955, as amended, shall be compensated by such  
21 agencies or institutions by the payment of fixed fees which  
22 in the aggregate will cover the costs of rendering such serv-

ices, and expenses for such purpose shall be considered non-administrative; and for the purpose of providing such inspections, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such institutions, or the Administrator, and shall credit such amounts to the appropriations or funds against which such charges have been made, but such nonadministrative expenses shall not exceed \$2,500,000.

#### URBAN PLANNING GRANTS

For grants in accordance with the provisions of section 701 of the Housing Act of 1954, as amended, \$3,000,000.

#### RESERVE OF PLANNED PUBLIC WORKS (PAYMENT TO REVOLVING FUND)

For payment to the revolving fund established pursuant to section 702 of the Housing Act of 1954, as amended (40 U. S. C. 462), \$7,000,000.

#### CAPITAL GRANTS FOR SLUM CLEARANCE AND URBAN RENEWAL

For an additional amount for payment of capital grants as authorized by title I of the Housing Act of 1949, as amended (42 U. S. C. 1453, 1456), \$50,000,000.

#### PUBLIC HOUSING ADMINISTRATION

##### ANNUAL CONTRIBUTIONS

For the payment of annual contributions to public housing agencies in accordance with section 10 of the United

1 States Housing Act of 1937, as amended (42 U. S. C.  
2 1410), \$107,500,000.

3 ADMINISTRATIVE EXPENSES

4 For administrative expenses of the Public Housing Ad-  
5 ministration, \$11,800,000, to be expended under the au-  
6 thorization for such expenses contained in title II of this Act.

7 INTERSTATE COMMERCE COMMISSION

8 SALARIES AND EXPENSES

9 For necessary expenses of the Interstate Commerce  
10 Commission, including not to exceed \$5,000 for the employ-  
11 ment of special counsel; services as authorized by section 15  
12 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not  
13 to exceed \$50 per diem for individuals; newspapers (not to  
14 exceed \$200); purchase of not to exceed twenty-seven pas-  
15 senger motor vehicles of which fourteen shall be for replace-  
16 ment only; and not to exceed \$1,200,000 for expenses of  
17 travel; \$16,750,000, of which not less than \$1,405,100 shall  
18 be available for expenses necessary to carry out railroad safety  
19 activities and not less than \$966,300 shall be available for  
20 expenses necessary to carry out locomotive inspection ac-  
21 tivities: *Provided*, That Joint Board members and cooperat-  
22 ing State commissioners may use Government transportation  
23 requests when traveling in connection with their duties as  
24 such.

1 NATIONAL ADVISORY COMMITTEE FOR  
2 AERONAUTICS  
3 SALARIES AND EXPENSES

4 For necessary expenses of the Committee, including  
5 contracts for the making of special investigations and reports  
6 (not to exceed \$500,000) and for engineering, drafting and  
7 computing services; not to exceed \$402,500 for expenses of  
8 travel; maintenance and operation of aircraft; purchase of  
9 fourteen passenger motor vehicles for replacement only;  
10 not to exceed \$100 for newspapers and periodicals; uni-  
11 forms or allowances therefor, as authorized by the Act of  
12 September 1, 1954 (68 Stat. 1114), as amended; and serv-  
13 ices as authorized by section 15 of the Act of August 2,  
14 1946 (5 U. S. C. 55a) ; \$78,100,000.

15 CONSTRUCTION AND EQUIPMENT

16 For construction and equipment at laboratories and  
17 research stations of the Committee, \$23,000,000, to remain  
18 available until expended.

19 NATIONAL CAPITAL HOUSING AUTHORITY  
20 OPERATION AND MAINTENANCE OF PROPERTIES

21 For the operation and maintenance of properties under  
22 title I of the District of Columbia Alley Dwelling Act,  
23 \$38,000: *Provided*, That all receipts derived from sales,  
24 leases, or other sources shall be covered into the Treasury  
25 of the United States monthly: *Provided further*, That so long

1 as funds are available from appropriations for the foregoing  
2 purposes, the provisions of section 507 of the Housing Act  
3 of 1950 (Public Law 475, Eighty-first Congress), shall not  
4 be effective.

## 5 NATIONAL SCIENCE FOUNDATION

### 6 SALARIES AND EXPENSES

7 For expenses necessary to carry out the purposes of  
8 the National Science Foundation Act of 1950, as amended  
9 (42 U. S. C. 1861-1875), including award of graduate  
10 fellowships; services as authorized by section 15 of the Act  
11 of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed  
12 \$50 per diem for individuals; hire of passenger motor  
13 vehicles; not to exceed \$275,000 for expenses of travel;  
14 not to exceed \$350 for the purchase of newspapers and  
15 periodicals; and reimbursement of the General Services  
16 Administration for security guard services; \$115,000,000,  
17 to remain available until expended: *Provided*, That of the  
18 foregoing amount not less than \$30,250,000 shall be avail-  
19 able for tuition, grants, and allowances in connection with a  
20 program of supplementary training for high school science  
21 and mathematics teachers.

## 22 RENEGOTIATION BOARD

### 23 SALARIES AND EXPENSES

24 For necessary expenses of the Renegotiation Board,  
25 including expenses of attendance at meetings concerned with

1 the purposes of this appropriation; hire of passenger motor  
2 vehicles; not to exceed \$40,000 for expenses of travel; and  
3 services as authorized by section 15 of the Act of August 2,  
4 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem  
5 for individuals; \$2,850,000.

## 6 SECURITIES AND EXCHANGE COMMISSION

### 7 SALARIES AND EXPENSES

8 For necessary expenses, including not to exceed \$1,125  
9 for the purchase of newspapers; not to exceed \$230,000 for  
10 expenses of travel; uniforms or allowances therefor, as author-  
11 ized by law (5 U. S. C. 2131); and services as authorized  
12 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a);  
13 \$6,800,000.

## 14 SELECTIVE SERVICE SYSTEM

### 15 SALARIES AND EXPENSES

16 For expenses necessary for the operation and main-  
17 tenance of the Selective Service System, as authorized by  
18 title I of the Universal Military Training and Service Act  
19 (62 Stat. 604), as amended, including services as authorized  
20 by section 15 of the Act of August 2, 1946 (5 U. S. C.  
21 55a); travel expenses; not to exceed \$250 for the pur-  
22 chase of newspapers and periodicals; not to exceed \$72,000  
23 for the National Selective Service Appeal Board; and  
24 \$19,000 for the National Advisory Committee on the  
25 Selection of Physicians, Dentists, and Allied Specialists;

1 \$27,500,000: *Provided*, That of the foregoing amount  
2 \$20,196,000 shall be available for registration, classification,  
3 and induction activities of local boards: *Provided further*,  
4 That during the current fiscal year, the President may ex-  
5 empt this appropriation from the provisions of subsection (c)  
6 of section 3679 of the Revised Statutes, as amended, when-  
7 ever he deems such action to be necessary in the interest of  
8 national defense.

9 Appropriations for the Selective Service System may  
10 hereafter be used for the destruction of records accumulated  
11 under the Selective Training and Service Act of 1940, as  
12 amended, by the Director of Selective Service after compli-  
13 ance with the procedures for the destruction of records pre-  
14 scribed pursuant to the Records Disposal Act of 1943, as  
15 amended (44 U. S. C. 366-380) : *Provided*, That no records  
16 may be transferred to any other agency without the approval  
17 of the Director of Selective Service.

## 18 VETERANS ADMINISTRATION

### 19 GENERAL OPERATING EXPENSES

20 For necessary operating expenses of the Veterans Ad-  
21 ministration, not otherwise provided for, including expenses  
22 incidental to securing employment for war veterans; uniforms  
23 or allowances therefor, as authorized by law; purchase of  
24 one passenger motor vehicle for replacement only at not  
25 to exceed \$4,000; not to exceed \$3,500 for newspapers and

1 periodicals; not to exceed \$45,000 for preparation, shipment,  
2 installation, and display of exhibits, photographic displays,  
3 moving pictures, and other visual education information and  
4 descriptive material, including purchase or rental of equip-  
5 ment; and not to exceed \$2,700,000 for expenses of travel  
6 of employees; \$147,500,000: *Provided*, That no part of  
7 this appropriation shall be used to pay in excess of twenty-  
8 two persons engaged in public relations work: *Provided*  
9 *further*, That no part of this appropriation shall be used to  
10 pay educational institutions for reports and certifications of  
11 attendance at such institutions an allowance at a rate in  
12 excess of \$1 per month for each eligible veteran enrolled in  
13 and attending such institution.

14 MEDICAL ADMINISTRATION AND MISCELLANEOUS  
15 OPERATING EXPENSES

16 For expenses necessary for administration of the medical,  
17 hospital, domiciliary, special service, construction and supply,  
18 research, and employee education and training activities;  
19 expenses necessary for carrying out programs of medical re-  
20 search and of education and training of employees, as au-  
21 thorized by law; not to exceed \$1,100,000 for expenses of  
22 travel of employees paid from this appropriation, and those  
23 engaged in training programs; and not to exceed \$2,700 for  
24 newspapers and periodicals; \$21,000,000, of which \$10,-  
25 344,000 shall be available for medical research: *Provided*,

1 That \$1,000,000 of the foregoing appropriation shall remain  
2 available until expended for prosthetic testing and develop-  
3 ment.

#### 4 INPATIENT CARE

5 For expenses necessary for the maintenance and opera-  
6 tion of hospitals and domiciliary facilities and for the care  
7 and treatment of beneficiaries of the Veterans Administra-  
8 tion in facilities not under the jurisdiction of the Veterans  
9 Administration as authorized by law, including the furnishing  
10 of recreational articles and facilities; maintenance and opera-  
11 tion of farms; repairing, altering, improving or providing  
12 facilities in the several hospitals and homes under the juris-  
13 diction of the Veterans Administration, not otherwise provided  
14 for, either by contract, or by the hire of temporary employees  
15 and purchase of materials; purchase of seventy passenger  
16 motor vehicles for replacement only; not to exceed  
17 \$375,000 for expenses of travel of employees; uniforms or  
18 allowances therefor as authorized by the Act of September  
19 1, 1954, as amended (5 U. S. C. 2131) ; and aid to State  
20 or Territorial homes in conformity with the Act approved  
21 August 27, 1888, as amended (24 U. S. C. 134) for the  
22 support of veterans eligible for admission to Veterans Ad-  
23 ministration facilities for hospital or domiciliary care;  
24 \$715,465,000: *Provided*, That allotments and transfers

1 may be made from this appropriation to the Department of  
2 Health, Education, and Welfare (Public Health Service),  
3 the Army, Navy, and Air Force Departments, for dis-  
4 bursement by them under the various headings of their ap-  
5 plicable appropriations, of such amounts as are necessary  
6 for the care and treatment of beneficiaries of the Veterans  
7 Administration: *Provided further*, That the foregoing ap-  
8 propriation is predicated on furnishing inpatient care and  
9 treatment to an average of 140,800 beneficiaries during the  
10 fiscal year 1959 including members in State or Territorial  
11 homes, and if a lesser number is experienced such appro-  
12 priation shall be expended only in proportion to the average  
13 number of beneficiaries furnished such care and treatment.

## 14 OUTPATIENT CARE

For expenses necessary for furnishing outpatient care to beneficiaries of the Veterans Administration, as authorized by law; purchase of two passenger motor vehicles for replacement only; uniforms or allowances therefor, as authorized by law; and not to exceed \$206,400 for expenses of travel of employees; \$75,000,000.

## 21 MAINTENANCE AND OPERATION OF SUPPLY DEPOTS

22 For expenses necessary for maintenance and operation  
23 of supply depots, including purchase of one passenger motor  
24 vehicle for replacement only, uniforms or allowance therefor,

1 as authorized by law, and not to exceed \$7,400 for expenses  
2 of travel of employees, \$2,000,000.

### 3 COMPENSATION AND PENSIONS

4 For the payment of compensation, pensions, gratuities,  
5 and allowances (including burial awards authorized by title  
6 VIII of the Veterans' Benefits Act of 1957 (71 Stat. 117),  
7 and subsistence allowances authorized by part VII of  
8 Veterans Regulation 1 (a), as amended), authorized under  
9 any Act of Congress, or regulation of the President based  
10 thereon, including emergency officers' retirement pay and  
11 annuities, the administration of which is now or may here-  
12 after be placed in the Veterans Administration, and for the  
13 payment of adjusted-service credits as provided in sections  
14 401 and 601 of the Act of May 19, 1924, as amended (38  
15 U. S. C. 631 and 661), \$3,200,000,000, to remain avail-  
16 able until expended.

### 17 READJUSTMENT BENEFITS

18 For the payment of benefits to or on behalf of veterans  
19 as authorized by titles II, III, and V, of the Servicemen's  
20 Readjustment Act of 1944, as amended, and title II of the  
21 Veterans Readjustment Assistance Act of 1952, as amended,  
22 and for supplies, equipment, and tuition authorized by part  
23 VII of Veterans Regulation Numbered 1 (a), as amended,  
24 payments authorized by titles VI and VII of the Veterans'

1 Benefits Act of 1957 (71 Stat. 114-116), and for benefits  
2 authorized by the War Orphans' Educational Assistance Act  
3 of 1956, \$700,000,000, to remain available until expended:  
4 *Provided*, That the unexpended balance as of June 30, 1958,  
5 in the appropriation for "Automobiles and other con-  
6 veyances for disabled veterans", shall be merged with this  
7 appropriation.

8 VETERANS INSURANCE AND INDEMNITIES

9 For military and naval insurance; for the payment of  
10 benefits and for transfer to the national service life insurance  
11 fund, in accordance with the National Service Life Insurance  
12 Act of 1940, as amended; and for payment of liabilities  
13 under the Servicemen's Indemnity Act of 1951; \$51,100,-  
14 000, to remain available until expended: *Provided*, That the  
15 unexpended balances as of June 30, 1958, in the appropria-  
16 tions for "Military and naval insurance", "National service  
17 life insurance", and "Servicemen's indemnities" shall be  
18 merged with this appropriation: *Provided further*, That cer-  
19 tain premiums provided by law to be credited to any of the  
20 above appropriations shall be credited to this appropriation:  
21 *Provided further*, That this appropriation shall be subject to  
22 the same statutory provisions and shall be available for the  
23 same purpose as formerly applied to the aforementioned appro-  
24 priations.

## 1 GRANTS TO THE REPUBLIC OF THE PHILIPPINES

2 For payment to the Republic of the Philippines of grants  
3 in accordance with the Act of July 1, 1948, as amended (50  
4 U. S. C. App. 1991-1996), for expenses incident to medical  
5 care and treatment of veterans, \$1,000,000.

6 CONSTRUCTION OF HOSPITAL AND DOMICILIARY  
7 FACILITIES

8 For hospital and domiciliary facilities, for planning and  
9 for major alterations, improvements, and repairs and extend-  
10 ing any of the facilities under the jurisdiction of the Veterans  
11 Administration or for any of the purposes set forth in sections  
12 1701-1703 of the Veterans Benefits Act of 1957 (71 Stat.  
13 141), \$19,145,000, to remain available until expended:  
14 *Provided*, That the unexpended balance as of June 30, 1958,  
15 in the appropriation for "Major alterations, improvements,  
16 and repairs" shall be merged with this appropriation.

17 ADMINISTRATIVE PROVISIONS

18 Not to exceed 5 per centum of any appropriation for  
19 the current fiscal year for "Compensation and pensions",  
20 "Readjustment benefits", and "Veterans insurance and  
21 indemnities" may be transferred to any other of the men-  
22 tioned appropriations, but not to exceed 10 per centum of  
23 the appropriations so augmented, and not to exceed \$500,000  
24 of the appropriation "Veterans insurance and indemnities"

1 for the current year may be transferred to "Service-disabled  
2 veterans insurance fund".

3 Appropriations available to the Veterans Administration  
4 for the current fiscal year for salaries and expenses shall be  
5 available for services as authorized by section 15 of the Act  
6 of August 2, 1946 (5 U. S. C. 55a).

7 Appropriations available to the Veterans Administration  
8 for the current fiscal year for "Inpatient care" and "Out-  
9 patient care" shall be available for funeral, burial, and other  
10 expenses incidental thereto (except burial awards authorized  
11 by title VIII, Veterans' Benefits Act of 1957 (71 Stat. 117)  
12 (38 U. S. C., ch. 12A) ), for beneficiaries of the Veterans  
13 Administration receiving care under such appropriations.

14 No part of the appropriations in this Act for the Veter-  
15 ans Administration (except the appropriation for "Con-  
16 struction of hospital and domiciliary facilities") shall be  
17 available for the purchase of any site for or toward the con-  
18 struction of any new hospital or home.

19 No part of the foregoing appropriations shall be avail-  
20 able for hospitalization or examination of any persons except  
21 beneficiaries entitled under the laws bestowing such benefits  
22 to veterans, unless reimbursement of cost is made to the  
23 appropriation at such rates as may be fixed by the Adminis-  
24 trator of Veterans Affairs.

## 1 INDEPENDENT OFFICES—GENERAL PROVISIONS

2 SEC. 102. Where appropriations in this title are ex-  
3 pendable for travel expenses of employees and no specific  
4 limitation has been placed thereon, the expenditures for  
5 such travel expenses may not exceed the amounts set forth  
6 therefor in the budget estimates submitted for the appro-  
7 priations: *Provided*, That this section shall not apply to  
8 travel performed by uncompensated officials of local boards  
9 and appeal boards of the Selective Service System.

10 SEC. 103. Where appropriations in this title are ex-  
11 pendable for the purchase of newspapers and periodicals and  
12 no specific limitation has been placed thereon, the expendi-  
13 tures therefor under each such appropriation may not ex-  
14 ceed the amount of \$50: *Provided*, That this limitation shall  
15 not apply to the purchase of scientific, technical, trade, or  
16 traffic periodicals necessary in connection with the per-  
17 formance of the authorized functions of the agencies for  
18 which funds are herein provided, nor to the purchase of  
19 newspapers and periodicals necessary for the care and wel-  
20 fare of patients and members in Veterans Administration  
21 hospitals and domiciliary facilities.

22 SEC. 104. No part of any appropriation contained in  
23 this title shall be available to pay the salary of any person  
24 filling a position, other than a temporary position, formerly  
25 held by an employee who has left to enter the Armed Forces

1 of the United States and has satisfactorily completed his  
2 period of active military or naval service and has within  
3 ninety days after his release from such service or from hos-  
4 pitalization continuing after discharge for a period of not  
5 more than one year made application for restoration to his  
6 former position and has been certified by the Civil Service  
7 Commission as still qualified to perform the duties of his  
8 former position and has not been restored thereto.

9       SEC. 105. Appropriations contained in this title, avail-  
10 able for expenses of travel shall be available, when specifi-  
11 cally authorized by the head of the activity or establishment  
12 concerned, for expenses of attendance at meetings of organi-  
13 zations concerned with the function or activity for which  
14 the appropriation concerned is made.

15       SEC. 106. No part of any appropriations made avail-  
16 able by the provisions of this title shall be used for the pur-  
17 chase or sale of real estate or for the purpose of establishing  
18 new offices outside the District of Columbia: *Provided*, That  
19 this limitation shall not apply to programs which have been  
20 approved by the Congress and appropriations made therefor.

21       SEC. 107. No part of any appropriation contained in this  
22 title shall be used to pay the compensation of any employee  
23 engaged in personnel work in excess of the number that

1 would be provided by a ratio of one such employee to one  
2 hundred and thirty-five, or a part thereof, full-time, part-  
3 time, and intermittent employees of the agency concerned:  
4 *Provided*, That for purposes of this section employees shall  
5 be considered as engaged in personnel work if they spend  
6 half time or more in personnel administration consisting of  
7 direction and administration of the personnel program; em-  
8 ployment, placement, and separation; job evaluation and  
9 classification; employee relations and services; training; wage  
10 administration; and processing, recording, and reporting.

11 SEC. 108. None of the sections under the head "Inde-  
12 pendent Offices—General Provisions" in this title shall apply  
13 to the Housing and Home Finance Agency.

## 14 TITLE II—CORPORATIONS

15 The following corporations and agencies, respectively,  
16 are hereby authorized to make such expenditures, within the  
17 limits of funds and borrowing authority available to each  
18 such corporation or agency and in accord with law, and to  
19 make such contracts and commitments without regard to  
20 fiscal year limitations as provided by section 104 of the  
21 Government Corporation Control Act, as amended, as may  
22 be necessary in carrying out the programs set forth in the

1 Budget for the fiscal year 1959 for each such corporation  
2 or agency, except as hereinafter provided:

3           FEDERAL HOME LOAN BANK BOARD

4   LIMITATION ON ADMINISTRATIVE AND EXAMINATION  
5       EXPENSES, FEDERAL HOME LOAN BANK BOARD

6       Not to exceed a total of \$1,600,000 shall be available for  
7 administrative expenses of the Federal Home Loan Bank  
8 Board, and shall be derived from funds available to the Fed-  
9 eral Home Loan Bank Board, including those in the Federal  
10 Home Loan Bank Board revolving fund and receipts of the  
11 Federal Home Loan Bank Administration, the Federal  
12 Home Loan Bank Board, or the Home Loan Bank Board for  
13 the current fiscal year and prior fiscal years, and the Board  
14 may utilize and may make payment for services and facilities  
15 of the Federal home-loan banks, the Federal Reserve banks,  
16 the Federal Savings and Loan Insurance Corporation, and  
17 other agencies of the Government (including payment for  
18 office space) : *Provided*, That all necessary expenses in con-  
19 nection with the conservatorship of institutions insured by  
20 the Federal Savings and Loan Insurance Corporation or  
21 preparation for or conduct of proceedings under section 5  
22 (d) of the Home Owners' Loan Act of 1933 or section 407  
23 of the National Housing Act and all necessary expenses (in-  
24 cluding services performed on a contract or fee basis, but not  
25 including other personal services) in connection with the

1 handling, including the purchase, sale, and exchange, of se-  
2 curities on behalf of Federal home-loan banks, and the sale,  
3 issuance, and retirement of, or payment of interest on,  
4 debentures or bonds, under the Federal Home Loan Bank  
5 Act, as amended, shall be considered as nonadministrative  
6 expenses for the purposes hereof: *Provided further*, That  
7 not to exceed \$55,000 shall be available for expenses  
8 of travel: *Provided further*, That members and alter-  
9 nates of the Federal Savings and Loan Advisory Council  
10 shall be entitled to reimbursement from the Board as ap-  
11 proved by the Board for transportation expenses incurred in  
12 attendance at meetings of or concerned with the work of such  
13 Council and may be paid not to exceed \$25 per diem in lieu  
14 of subsistence: *Provided further*, That notwithstanding any  
15 other provisions of this Act, except for the limitation in  
16 amount hereinbefore specified, the administrative expenses  
17 and other obligations of the Board shall be incurred, allowed,  
18 and paid in accordance with the provisions of the Federal  
19 Home Loan Bank Act of July 22, 1932, as amended (12  
20 U. S. C. 1421-1449) : *Provided further*, That the nonadmin-  
21 istrative expenses for the examination of Federal and State  
22 chartered institutions (other than special examinations deter-  
23 mined by the Board to be necessary) shall not exceed  
24 \$6,343,000.

1    LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
2           SAVINGS AND LOAN INSURANCE CORPORATION

3           Not to exceed \$720,000 shall be available for admin-  
4    istrative expenses, which shall be on an accrual basis  
5    and shall be exclusive of interest paid, depreciation, properly  
6    capitalized expenditures, expenses in connection with liqui-  
7    dation of insured institutions or preparation for or conduct of  
8    proceedings under section 407 of the National Housing Act,  
9    liquidation or handling of assets of or derived from insured  
10   institutions, payment of insurance, and action for or toward  
11   the avoidance, termination, or minimizing of losses in the  
12   case of insured institutions, legal fees and expenses, and pay-  
13   ments for administrative expenses of the Federal Home Loan  
14   Bank Board determined by said Board to be properly allo-  
15   cable to said Corporation, and said Corporation may utilize  
16   and may make payment for services and facilities of the  
17   Federal home-loan banks, the Federal Reserve banks, the  
18   Federal Home Loan Bank Board, and other agencies of the  
19   Government: *Provided*, That not to exceed \$15,400 shall  
20   be available for expenses of travel: *Provided further*, That  
21   notwithstanding any other provisions of this Act, except for  
22   the limitation in amount hereinbefore specified, the adminis-  
23   trative expenses and other obligations of said Corporation  
24   shall be incurred, allowed and paid in accordance with title

1 IV of the Act of June 27, 1934, as amended (12 U. S. C.  
2 1724-1730).

3 GENERAL SERVICES ADMINISTRATION

4 LIMITATION ON ADMINISTRATIVE EXPENSES, ABACA

5 FIBER PROGRAM

6 Not to exceed \$47,000 of funds available to the General  
7 Services Administration for the abaca fiber program shall be  
8 available for administrative expenses incident to the abaca  
9 fiber program, to be computed on an accrual basis, and to be  
10 exclusive of the interest paid, depreciation, capitalized ex-  
11 penditures, expenses in connection with the acquisition, pro-  
12 tection, operation, maintenance, improvement, or disposition  
13 of real or personal property relating to the abaca fiber pro-  
14 gram, and expenses of services performed on a contract or  
15 fee basis in connection with the performance of legal services.

16 LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL

17 FACILITIES CORPORATION

18 Not to exceed \$25,000 shall be available during the  
19 fiscal year 1959 for all administrative expenses of the  
20 Corporation (including use of the services and facilities  
21 of Federal Reserve banks), to be computed on an accrual  
22 basis, and to be exclusive of interest paid, depreciation,  
23 capitalized expenditures, expenses in connection with the  
24 acquisition, protection, operation, maintenance, improve-

1 ment, or disposition of real or personal property belonging  
2 to the Corporation or in which it has an interest, expenses  
3 of services performed on a contract or fee basis in connection  
4 with the performance of legal services, and all administrative  
5 expenses reimbursable from other Government agencies.

6 LIMITATION ON ADMINISTRATIVE EXPENSES, RECON-  
7 STRUCTION FINANCE CORPORATION LIQUIDATION  
8 FUND

9 Not to exceed \$42,500 (to be computed on an accrual  
10 basis) of the funds derived from liquidation of functions of  
11 Reconstruction Finance Corporation transferred to General  
12 Services Administration under Reorganization Plan No. 1 of  
13 1957 (22 F. R. 4633), shall be available during the current  
14 fiscal year for administrative expenses incident to the liqui-  
15 dation of said functions: *Provided*, That as used herein the  
16 term "administrative expenses" shall be construed to include  
17 all salaries and wages, services performed on a contract or  
18 fee basis, and travel and other expenses, including the pur-  
19 chase of equipment and supplies, of administrative offices,  
20 but this amount shall be exclusive of costs of services per-  
21 formed on a contract or fee basis in connection with the ter-  
22 mination of contracts or in the performance of legal services:  
23 *Provided further*, That the distribution of administrative  
24 expenses to the accounts shall be made in accordance with  
25 generally recognized accounting principles and practices.

## 1 HOUSING AND HOME FINANCE AGENCY

## 2 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF

## 3 THE ADMINISTRATOR, COLLEGE HOUSING LOANS

4 Not to exceed \$1,675,000 shall be available for all ad-  
5 ministrative expenses, which shall be on an accrual basis, of  
6 carrying out the functions of the Office of the Administrator  
7 under the program of housing loans to educational institu-  
8 tions (title IV of the Housing Act of 1950, as amended,  
9 12 U. S. C. 1749-1749d), but this amount shall be exclusive  
10 of payment for services and facilities of the Federal Reserve  
11 banks or any member thereof, the Federal home-loan banks,  
12 and any insured bank within the meaning of the Act creating  
13 the Federal Deposit Insurance Corporation (Act of August  
14 23, 1935, as amended, 12 U. S. C. 264) which has been  
15 designated by the Secretary of the Treasury as a depository  
16 of public money of the United States: *Provided*, That not to  
17 exceed \$65,000 shall be available for expenses of travel.

## 18 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF

## 19 THE ADMINISTRATOR, PUBLIC FACILITY LOANS

20 Not to exceed \$400,000 of funds in the revolving fund  
21 established pursuant to title II of the Housing Amend-  
22 ments of 1955, as amended, shall be available for  
23 administrative expenses, but this amount shall be exclusive of  
24 payment for services and facilities of the Federal Reserve

1 banks or any member thereof, the Federal home-loan banks,  
2 and any insured bank within the meaning of the Act creating  
3 the Federal Deposit Insurance Corporation (Act of August  
4 23, 1935, as amended, 12 U. S. C. 264) which has been  
5 designated by the Secretary of the Treasury as a depository  
6 of public money of the United States.

7 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF  
8 THE ADMINISTRATOR, REVOLVING FUND (LIQUIDAT-  
9 ING PROGRAMS)

10 During the current fiscal year not to exceed \$600,000  
11 shall be available for administrative expenses (including not  
12 to exceed \$38,000 for travel), but this amount shall be ex-  
13 clusive of costs of services performed on a contract or fee  
14 basis in connection with termination of contracts and legal  
15 services on a contract or fee basis and of payment for services  
16 and facilities of the Federal Reserve banks or any member  
17 thereof, any servicer approved by the Federal National  
18 Mortgage Association, the Federal home-loan banks, and  
19 any insured bank within the meaning of the Act of August  
20 23, 1935, as amended, creating the Federal Deposit In-  
21 surance Corporation (12 U. S. C. 264) which has been  
22 designated by the Secretary of the Treasury as a depository  
23 of public money of the United States.

1   LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
2                   NATIONAL MORTGAGE ASSOCIATION

3       Not to exceed \$4,750,000 shall be available for admin-  
4   istrative expenses, which shall be on an accrual basis, and  
5   shall be exclusive of interest paid, expenses (including ex-  
6   penses for fiscal agency services performed on a contract or  
7   fee basis) in connection with the issuance and servicing of  
8   securities, depreciation, properly capitalized expenditures,  
9   fees for servicing mortgages, expenses (including services  
10  performed on a force account, contract, or fee basis, but not  
11  including other personal services) in connection with the ac-  
12  quisition, protection, operation, maintenance, improvement,  
13  or disposition of real or personal property belonging to said  
14  Association or in which it has an interest, cost of salaries,  
15  wages, travel, and other expenses of persons employed out-  
16  side of the continental United States, expenses of services  
17  performed on a contract or fee basis in connection with the  
18  performance of legal services, and all administrative expenses  
19  reimbursable from other Government agencies, and said As-  
20  sociation may utilize and may make payment for services and  
21  facilities of the Federal Reserve banks and other agencies  
22  of the Government: *Provided*, That the distribution of ad-  
23  ministrative expenses to the accounts of the Association shall

1 be made in accordance with generally recognized account-  
2 ing principles and practices: *Provided further*, That not to  
3 exceed \$125,000 shall be available for expenses of travel.

4 LIMITATION ON ADMINISTRATIVE AND NONADMINISTRA-  
5 TIVE EXPENSES, FEDERAL HOUSING ADMINIS-  
6 TRATION

7 For administrative expenses in carrying out duties im-  
8 posed by or pursuant to law, not to exceed \$7,300,000 of  
9 the various funds of the Federal Housing Administration  
10 shall be available, in accordance with the National Housing  
11 Act, as amended (12 U. S. C. 1701), including uniforms or  
12 allowances therefor, as authorized by the Act of September  
13 1, 1954, as amended (5 U. S. C. 2131): *Provided*, That,  
14 except as herein otherwise provided, all expenses and obli-  
15 gations of said Administration shall be incurred, allowed,  
16 and paid in accordance with the provisions of said Act:  
17 *Provided further*, That not to exceed \$445,000 shall be  
18 available for expenses of travel: *Provided further*, That  
19 funds shall be available for contract actuarial services (not to  
20 exceed \$1,500); and purchase of periodicals and newspapers  
21 (not to exceed \$750): *Provided further*, That nonadminis-  
22 trative expenses classified by section 2 of Public Law 387,  
23 approved October 25, 1949, shall not exceed \$38,500,000.

1 LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE  
2 TIVE EXPENSES, PUBLIC HOUSING ADMINISTRATION

3 Not to exceed the amount appropriated for such ex-  
4 penses by title I of this Act shall be available for the  
5 administrative expenses of the Public Housing Administra-  
6 tion in carrying out the provisions of the United States Hous-  
7 ing Act of 1937, as amended (42 U. S. C. 1401-1433), in-  
8 cluding not to exceed \$900,000 for expenses of travel;  
9 purchase of uniforms, or allowances therefor, as authorized  
10 by the Act of September 1, 1954, as amended (5 U. S. C.  
11 2131); purchase of not to exceed one passenger motor  
12 vehicle for replacement only; and expenses of attendance  
13 at meetings of organizations concerned with the work of the  
14 Administration: *Provided*, That necessary expenses of  
15 providing representatives of the Administration at the sites  
16 of non-Federal projects in connection with the construction  
17 of such non-Federal projects by public housing agencies  
18 with the aid of the Administration, shall be compensated by  
19 such agencies by the payment of fixed fees which in the  
20 aggregate in relation to the development costs of such projects  
21 will cover the costs of rendering such services, and expendi-  
22 tures by the Administration for such purpose shall be  
23 considered nonadministrative expenses, and funds received

1 from such payments may be used only for the payment of  
2 necessary expenses of providing representatives of the Ad-  
3 ministration at the sites of non-Federal projects: *Provided*  
4 *further*, That all expenses of the Public Housing Adminis-  
5 tration not specifically limited in this Act, in carrying out  
6 its duties imposed by law, shall not exceed \$1,800,000.

7       CORPORATIONS—GENERAL PROVISION

8       SEC. 202. No part of the funds of, or available for  
9 expenditure by, any corporation or agency included in this  
10 title shall be used to pay the compensation of any employee  
11 engaged in personnel work in excess of the number that  
12 would be provided by a ratio of one such employee to one  
13 hundred and thirty-five, or a part thereof, full-time, part-  
14 time, and intermittent employees of the agency concerned:  
15 *Provided*, That for purposes of this section employees shall  
16 be considered as engaged in personnel work if they spend  
17 half-time or more in personnel administration consisting of  
18 direction and administration of the personnel program; em-  
19 ployment, placement, and separation; job evaluation and  
20 classification; employee relations and services; training;  
21 committees of expert examiners and boards of civil-service  
22 examiners; wage administration; and processing, recording,  
23 and reporting.

## 1 TITLE III—GENERAL PROVISIONS

2 SEC. 301. No part of any appropriation contained in  
3 this Act, or of the funds available for expenditure by any  
4 corporation or agency included in this Act, shall be used  
5 for publicity or propaganda purposes designed to support  
6 or defeat legislation pending before the Congress.

7 This Act may be cited as the “Independent Offices  
8 Appropriation Act, 1959”.



# I N D E X

---

Civil Service Commission :	Page
Salaries and Expenses.....	2
Investigations of United States citizens for employment by inter- national organizations.....	3
Payment to civil service retirement and disability fund.....	4
Annuities, Panama Canal Construction Employees and Lighthouse Service Widows.....	5
Employees Life Insurance Fund, Administrative Expenses.....	5
Federal Civil Defense Administration :	
Operations.....	5
Emergency Supplies and Equipment.....	6
Research and Development.....	6
Federal Communications Commission.....	7
Federal Home Loan Bank Board.....	34
Federal Savings and Loan Insurance Corporation.....	36
Federal Power Commission.....	7
Federal Trade Commission.....	8
General Accounting Office.....	8
General Services Administration :	
Operating Expenses, Public Buildings Service.....	9
Repair and Improvement, Federally Owned Buildings.....	10
Sites and Expenses, Public Buildings Projects.....	10
Construction, Public Buildings Projects.....	11
Payments, Public Buildings Purchase Contracts.....	11
Operating Expenses, Federal Supply Service.....	12
Expenses, Supply Distribution.....	12
Operating Expenses, National Archives and Records Service.....	13
Operating Expenses, Transportation and Public Utilities Service..	13
Strategic and Critical Materials.....	13
Abaca Fiber Program, Administrative Expenses.....	37
Salaries and Expenses, Office of Administrator.....	14
Administrative Expenses, Federal Facilities Corporation.....	37
Administrative Expenses, RFC Liquidation Fund.....	38
Administrative Operations Fund.....	14
General provisions.....	15
Housing and Home Finance Agency :	
Office of the Administrator :	
Salaries and Expenses.....	17
Urban Planning Grants.....	18
Reserve of Planned Public Works (Payment to Revolving Fund).....	18
Capital Grants for Slum Clearance and Urban Renewal.....	18

## Housing and Home Finance Agency—Continued

Administrative expenses:	Page
College Housing Loans, Office of the Administrator.....	39
Public Facility Loans, Office of the Administrator.....	39
Revolving Fund (Liquidating Programs), Office of the Administrator .....	40
Federal National Mortgage Association.....	41
Federal Housing Administration.....	42
Public Housing Administration:	
Annual Contributions.....	18
Administrative Expenses.....	19, 43
Interstate Commerce Commission.....	19
National Advisory Committee for Aeronautics.....	20
National Capital Housing Authority.....	20
National Science Foundation.....	21
Renegotiation Board.....	21
Securities and Exchange Commission.....	22
Selective Service System.....	22
Veterans Administration:	
General Operating Expenses.....	23
Medical Administration and Miscellaneous Operating Expenses..	24
Inpatient Care.....	25
Outpatient Care.....	26
Maintenance and Operation of Supply Depots.....	26
Compensation and Pensions.....	27
Readjustment Benefits.....	27
Veterans Insurance and Indemnities.....	28
Grants to the Republic of the Philippines.....	29
Construction of Hospital and Domiciliary Facilities.....	29
Administrative Provisions.....	29
General Provisions.....	31, 44, 45



85TH CONGRESS  
2D SESSION

H. R. 11574

[Report No. 1543]

# A BILL

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

By Mr. THOMAS

MARCH 21, 1958

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

DIGEST OF H. R. 11574 (Vetoed)

INDEPENDENT OFFICES APPROPRIATIONS. The first proposed Independent Offices Appropriation Act for 1959. Vetoed August 4, 1958 (H. Doc. 429). H. R. 13856, which deleted a provision in the first bill objected to by the President, was later enacted as Public Law 85-844.







## CONSIDERATION OF H. R. 11574

---

MARCH 24, 1958.—Referred to the House Calendar and ordered to be printed

---

Mr. DELANEY, from the Committee on Rules, submitted the following

### R E P O R T

[To accompany H. Res. 510]

The Committee on Rules, having had under consideration House Resolution 510, report the same to the House with the recommendation that the resolution do pass.

○



# House Calendar No. 171

85TH CONGRESS  
2D SESSION

## H. RES. 510

[Report No. 1545]

---

### IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 1958

Mr. DELANEY, from the Committee on Rules, reported the following resolution;  
which was referred to the House Calendar and ordered to be printed

---

## RESOLUTION

1     *Resolved*, That during the consideration of the bill  
2     (H. R. 11574) making appropriations for sundry inde-  
3     pendent executive bureaus, boards, commissions, corpora-  
4     tions, agencies, and offices, for the fiscal year ending June 30,  
5     1959, and for other purposes, all points of order against the  
6     bill are hereby waived.

85TH CONGRESS  
2D SESSION

# H. RES. 510

[Report No. 1545]

## RESOLUTION

Waiving all points of order against the bill  
(H. R. 11574) making appropriations for  
sundry independent executive bureaus,  
boards, commissions, corporations, agencies,  
and offices, for the fiscal year ending June 30,  
1959, and for other purposes.

By Mr. DELANEY

MARCH 24, 1958

Referred to the House Calendar and ordered to be  
printed





March 25, 1958

14. INDEPENDENT OFFICES APPROPRIATION BILL, 1959. Agreed to a resolution to waive all points of order during the consideration of this bill, H. R. 11574. This resolution makes in order provisions (included in the bill as reported) that Congress must appropriate money for civil service retirement annuity increases before the increase takes effect and that the lease-purchase program be discontinued. pp. 4724-5

The bill includes items for CSC, FCDA, FPC, FTC, GAO, GSA, ICC, NSF, and VA.

Following are excerpts from the committee report:

Civil service retirement and disability fund:

"The \$589,000,000 included in the bill for payment to the civil service retirement and disability fund implements the will of Congress as expressed in section 17 (e) of the Civil Service Retirement Act, as amended. That section provides:

"The Commission shall submit estimates of the appropriations necessary to finance the fund on a normal cost plus interest basis and to continue this Act in full force and effect."

"The Civil Service Commission submitted a request to the Bureau of the Budget for \$589,577,000 as required by law. However, it is not included in the Budget request to the Congress. For the last five years there has been only one budget request for this purpose.

"The insolvency of the fund, since June 30, 1953, has increased from \$9.9 billion to \$18.065 billion due to the failure of the Government to make its contributions. The \$589,000,000 in the bill is necessary to make the fund self-sustaining in 1959.

"The Committee has also included language to require that before any increase in annuity benefits or any new annuity benefits are paid there must first be an appropriation made to the retirement fund to cover the increased costs of such benefits to prevent an immediate increase in the unfunded accrued liability of the fund."

Buildings:

"The \$177,255,000 the Committee has included for financing construction of 66 public buildings projects by direct appropriation includes all the buildings projects which were proposed for construction in the budget estimates under the lease-purchase program except four proposed for the District of Columbia, and two others. All projects have been approved by the Public Works Committees. The four District of Columbia projects are deferred because the Committee is definitely of the opinion a public buildings construction program should be initiated in other parts of the United States where extensive unemployment exists before huge projects begin in the District of Columbia. However, the planning on such projects may proceed as funds are provided in the bill to continue developing plans and specification for all approved projects. ...

"The Committee believes that the decision of Congress not to renew the lease-purchase program last year was an affirmative decision to terminate the program. It has been over 3½ years since the Public Buildings Purchase Contract Act of 1954 was enacted, and only one building has been built.

"The Committee requested the General Accounting Office to prepare an analysis of the comparable costs of constructing buildings by direct appropriation and lease-purchase. The study indicates that it costs at least \$1.64 under lease-purchase to buy the same amount of building as \$1.00 does by direct appropriation."

"The Committee has deleted the budget language for moving and rental costs for agencies to be displaced by new construction. This sites and planning item is intended specifically for acquiring sites and preparing plans. All necessary moving and other related costs should be financed by the Public Buildings Service."

Civil defense:

"The Committee points out that at the time Congress acts on the annual appropriation bill of any agency it does so with the basic assumption that the funds provided are for the full year cost of all personnel and other programs contemplated for the ensuing fiscal year and does not expect any agency to return to Congress the following year with a request for funds to annualize the costs of personnel or programs.

"The Committee suggests other agencies absorb the cost as Agriculture has done, but has provided \$250,000 to FCDA for allocation to an agency where this is impossible and the function to be performed is absolutely essential."

Purchasing:

"It is alleged that the General Services Administration has to wait at least 45 days for some agencies to pay their bills. The Committee has requested the Bureau of the Budget to urge all agencies to pay bills on time since they have the money available and thereby save appropriating the \$15,000,000 requested for additional capital."

15. LABOR - HEW APPROPRIATION BILL, 1959. The Appropriations Committee reported without amendment, this bill, H. R. 11645 (p. 4746). The House agreed to consider the bill Thurs., Mar. 27 (p. 4686).
16. IMPORTS. The Ways and Means Committee reported without amendment H. R. 10112, to make permanent the existing privileges of free importation of guar seed. (H. Rept. 1554). p. 4746  
The Ways and Means Committee reported without amendment H. R. 11407, to extend for 2 years the law allowing free importation of personal and household goods brought into the U. S. under Government orders (H. Rept. 1556). p. 4746
17. ECONOMIC SITUATION. Rep. Sikes stated that lower prices were the major remedy for the current recession. pp. 4686-7  
Rep. Alger contended that "By any normal standard our business and economic activities remain at a prosperous level." p. 4687
18. FOREIGN AID. Rep. Passman discussed and opposed the foreign aid program, with comments by Reps. Bailey, Rhodes (Ariz.), Frelinghuysen, Gross, Williams (Miss.), Herlong, Younger, Gary, O'Konski, Meade, and Byrd. pp. 4727-34

ITEMS IN APPENDIX

19. LANDS. Extension of remarks of Sen. Neuberger inserting various telegrams requesting Senators to oppose S. 3051, to provide for termination of Federal supervision over Klamath Indian lands. p. A2770
20. TEXTILES. Various insertions discussing problems of the textile industry which have resulted from imports. pp. A2772-3, A2781-2, A2822
21. LIVESTOCK. Extension of remarks of Rep. Allen inserting an editorial, "Livestock Prices For Top Animals Soar To Records." pp. A2774-5  
Rep. Kilday inserted an editorial containing interesting historical data on the cattle industry in Texas. pp. A2820-1
22. FARM PROGRAM. Extension of remarks of Rep. Reece inserting an editorial in support of the administration's farm program and stating, "of particular interest to me was the mention of the Agriculture Department's rural development program." p. A2775

Yes, we need to hold our best men in the services, whether they be generals, colonels, or privates, and to do this we must pay them salaries comparable to the pay they can draw in private industry. I hope the committee which has brought us this bill will be just as alert to seeing that the law is administered so as to get rid of the incompetents—and we do have them in every service—as it has been vigorous in bringing about the passage of this legislation.

Mr. PHILBIN. Mr. Chairman, the able and distinguished gentleman from Texas [Mr. KILDAY] in his many brilliant speeches before the House on vital military and defense questions has seldom, if ever, acquitted himself with such great ability and clarity and understanding as he has in the excellent discourse he has given to the House in support of this bill.

I want to thank and commend him for the magnificent, penetrating, all-embracing explanation, which he has given us upon an extremely complex and difficult subject.

And I also want to thank him and his distinguished committee for their able, painstaking and efficient work in conducting the hearings and formulating the pay measure which is before us for action today. As a member of the House Armed Services Committee, I am very proud of this fine, able, efficient contribution to the national defense and security.

The early enactment of this bill is, to my mind, most essential. It is needed, not only to provide incentives and thus effectually stop the dangerous outflow of so many skilled men from our armed services, but it is essential to increased proficiency and efficiency in the operation of the armed services themselves.

In its broader sense, the bill seeks to do justice and equity to all our defense personnel at a time when living costs are high and adequate pay revenues so necessary to people of every calling.

This bill grew out of the work of the so-called Cordiner Committee, which made sweeping recommendations in the field of pay and compensation for armed services personnel. Many of the recommendations of this Committee are, we are told, incorporated in the bill.

It is to be regretted that the economies envisioned by the Cordiner report estimated to be in the neighborhood of \$5 billion a year could not be realized; in fact, at this time it is doubtful whether any specific savings or economies could be shown to accrue directly as the result of the enactment of this bill.

However, there can be little doubt as is attested by the hearings and Mr. KILDAY's very able statement but that the bill will provide proficiency pay, lift the general tone and morale of personnel, provide stronger incentives for personnel to remain in the armed services and revise service pay scales in a realistic and practicable way for about all of the personnel.

It is not claimed for it that the bill is perfect or that it will perform miracles. There are few more complex questions than pay scales in the armed services, and there is probably no way short

of compulsion that the Congress could retain all the personnel that is trained in various specialties, or prevent them from migrating into industry to reap the much more attractive financial rewards that are open these days to persons skilled in electronics, radar, radio, rockets and missiles, submarines and aircraft, and other fields so vital to our defense.

I think that the best that can be said for the bill is that it will cut down the number of good, trained men we are losing in critical categories. How we will be able to stop the outward annual flow of about one-fifth of our service Academy graduates is a problem that will have to be considered and acted upon by the Congress at some other time. I am greatly concerned about the resignation of so many fine young men, who are trained in our service Academies at great expense to the Government, leaving the services every year to take outside jobs in industry or the professions.

At the present rate these losses estimated to increase up to 27 percent in the near future, it is clear that serious inroads are being made into the military leadership pool upon which we must depend for the development of men capable of best furnishing future leadership for our entire Defense Establishment.

There is also the question of armed services organized as they are today being called upon not only to deal with, utilize, and consider the problems of the individual men, but also those of their families. American fighting men today are in large numbers accompanied by their wives and families to almost every part of the world where our troops are stationed. This presents for us, as well as for the Defense Department and the various services, problems of such magnitude and serious import that I will do no more than to touch upon them here.

But I am convinced that before long these problems will require our most penetrating consideration, if we are to be able to cope competitively with far-flung challenges of the Soviet Union, which has its armed forces organized on the non-familial principle, which does not involve all the problems, logistical, financial, social, and legal incident to transporting troops all over the world, establishing living accommodations for them and their families, schools, and other services for their children.

I should like to have seen larger increases for lower category personnel. Since the bill will cost \$668 million annually some limitations were necessary. Most of this huge sum will go to enlisted men and younger officer categories. I think the committee has made every effort by special tables, the creation of new grades and in many other ways to furnish stronger incentives. It also makes provision for a flat 6 percent increase for retired personnel.

In my opinion, the bill is a big improvement over other bills and proposals being considered, and it represents a substantial, forward step in the pay system for the armed services. I believe it is fair to enlisted men and officers of every rank and grade. Whether it will be adequate competitively with private

industry and private callings remains to be seen. But it undoubtedly moves very substantially in that direction, and I believe it is, not only workable, but hope it will be satisfactory to all service personnel and their families.

The hearings and the preparation of the bill now before us called for hard, laborious work and the highest order of legislative skill in drafting its provisions and reconciling them in innumerable ways with the present system so as to present an integrated, practicable whole.

We are fortunate indeed in having the expert services of the gentleman from Texas [Mr. KILDAY], possessed as he is of such a sure grasp of and mastery over the multitude of details and technical problems implicit in this legislation.

We are also fortunate to have able, dedicated colleagues like the gentleman from Pennsylvania [Mr. GAVIN], whose long experience, thorough knowledge and great ability in this field are so well known and have been so valuable to the successful completion of this work.

Indeed, we are fortunate to have such a splendid committee as the one which heard and wrote this bill—all able, painstaking, and very helpful in their contributions.

Last of all, but by no means least, we were fortunate in having the advice and service of our most capable staff assistant, Mr. Russell Blandford, whose devoted efforts, diligence, legal ability, sound judgment, and conscientious approach were such great value to the committee and to the House.

I can wholeheartedly support this bill, because I know that it was formulated by able, zealous, and patriotic colleagues, highly skilled in all facets of the complex subject matter it covers. It derives from great sincerity of purpose to improve the lot of armed services personnel and to strengthen and render more efficient the operating branches of our huge defense system. I believe it marks a great advancement both in the theory and practice of sound defense pay legislation, and I am very hopeful that it will bear good results.

The CHAIRMAN. Under the rule the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11470) to adjust the method of computing basic pay for officers and enlisted members of the uniformed services, to provide proficiency pay for enlisted members thereof, and for other purposes, pursuant to House Resolution 507, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. KILDAY. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 366, nays 22, not voting 41, as follows:

## [Roll No. 30]

## YEAS—366

Abbutt	Davis, Tenn.	Jones, Ala.
Adair	Dawson, Ill.	Jones, Mo.
Addonizio	Delaney	Judd
Albert	Dellay	Karsten
Alexander	Dennison	Kearney
Alger	Dent	Kearns
Allen, Ill.	Denton	Keating
Andersen,	Deronian	Kee
H. Carl	Devereux	Kelly, N. Y.
Anderson,	Diggs	Keogh
Mont.	Dixon	Kilburn
Andrews	Dollinger	Kilday
Anfuso	Donohue	Kilgore
Arends	Dooley	King
Ashley	Dorn, N. Y.	Kirwan
Ashmore	Dorn, S. C.	Kitchin
Aspinall	Dowdy	Knox
Auchincloss	Doyle	Knutson
Avery	Durham	Krueger
Ayres	Dwyer	Lafore
Bailey	Eberharter	Laird
Baker	Edmondson	Landrum
Baldwin	Elliott	Lape
Baring	Everett	Lankford
Bass, N. H.	Evins	Latham
Bass, Tenn.	Fallon	LeCompte
Bates	Farkstein	Lennon
Baumhart	Fascell	Lesinski
Beamer	Feighan	Libonati
Becker	Fenton	Lipscomb
Beckworth	Fino	Loser
Belcher	Fisher	McCarthy
Bennett, Fla.	Flood	McCormack
Bennett, Mich.	Flynt	McCulloch
Bentley	Fogarty	McDonough
Berry	Ford	McFall
Betts	Forrester	McGovern
Blatnik	Frazier	McGregor
Boggs	Frelinghuysen	McIntire
Boland	Friedel	McIntosh
Bolling	Fulton	Macdonald
Bolton	Garmatz	Machrowicz
Bonner	Gary	Mack, Ill.
Bosch	Gathings	Mack, Wash.
Bow	Gavin	Madden
Boyle	Glenn	Magnuson
Bray	Granahan	Mahon
Breeding	Gray	Mailliard
Brooks, La.	Green, Oreg.	Martin
Brooks, Tex.	Gregory	Mathews
Broomfield	Griffin	May
Brown, Ga.	Gross	Merpow
Brown, Mo.	Gubser	Mercalf
Brown, Ohio	Hagen	Michel
Brownson	Hale	Miller, Calif.
Broyhill	Haley	Miller, Md.
Burleson	Halleck	Miller, Nebr.
Bush	Harden	Miller, N. Y.
Byrd	Hardy	Minshall
Byrne, Ill.	Harris	Mitchell
Byrne, Pa.	Harrison, Nebr.	Montoya
Byrnes, Wis.	Harrison, Va.	Moore
Cannfield	Harvey	Morano
Cannon	Haskell	Morgan
Carnahan	Hays, Ark.	Morris
Carrigg	Hays, Ohio	Moss
Cederberg	Healey	Multer
Celler	Hemphill	Murray
Chamberlain	Henderson	Natcher
Chelf	Herlong	Neal
Chenoweth	Heseltun	Nicholson
Chiperfield	Hess	Nimtz
Christopher	Hiestand	Norblad
Church	Hill	Norrell
Clark	Hoeven	O'Brien, Ill.
Clevenger	Holifield	O'Brien, N. Y.
Coad	Holland	O'Hara, Ill.
Coffin	Holmes	O'Konski
Collier	Holt	O'Neill
Corbett	Holtzman	Osmer
Coudert	Hosmer	Ostertag
Cramer	Huddleston	Passman
Cretella	Hull	Patman
Cunningham,	Hyde	Patterson
Iowa	Ikard	Pelly
Cunningham,	Jackson	Perkins
Nebr.	Jarman	Pfost
Curtin	Jenkins	Philbin
Curtis, Mass.	Jennings	Pilcher
Curtis, Mo.	Johansen	Poage
Dague	Johnson	Poff
Davis, Ga.	Jonas	Polk

Porter  
Powell  
Preston  
Price  
Prouty  
Quile  
Rabaut  
Reece, Tenn.  
Reed  
Rees, Kans.  
Reuss  
Rhodes, Ariz.  
Rhodes, Pa.  
Riehlman  
Riley  
Rivers  
Roberts  
Robeson, Va.  
Robison, Ky.  
Rodino  
Rogers, Colo.  
Rogers, Fla.  
Rogers, Mass.  
Rogers, Tex.  
Rooney  
Roosevelt  
Rutherford  
Santangelo  
Saund  
Saylor  
Schenck  
Scherer

Schwengel  
Scott, N. C.  
Scott, Pa.  
Scudder  
Seely-Brown  
Selden  
Sheehan  
Shelley  
Shuford  
Sikes  
Siler  
Simpson, Pa.  
Sisk  
Smith, Calif.  
Smith, Miss.  
Spence  
Springer  
Steed  
Sullivan  
Taber  
Talle  
Taylor  
Teague, Calif.  
Teller  
Tewes  
Thomas  
Thompson, La.  
Thompson, N. J.  
Thompson, Tex.  
Thomson, Wyo.  
Thornberry  
Tollefson

Trimble  
Udall  
Ullman  
Utt  
Vanik  
Van Pelt  
Van Zandt  
Vinson  
Vorys  
Vursell  
Wainwright  
Walter  
Watts  
Weaver  
Westland  
Whitener  
Widnall  
Wigglesworth  
Williams, Miss.  
Williams, N. Y.  
Wilson, Calif.  
Wilson, Ind.  
Winstead  
Withrow  
Wolverton  
Wright  
Yates

## NAYS—22

Abernethy  
Budge  
Dawson, Utah  
Dingell  
George  
Hoffman  
Jensen  
McVey

Marshall  
Mason  
Meader  
Moulder  
O'Hara, Minn.  
Pillion  
Ray  
Scrivner

Simpson, Ill.  
Smith, Kans.  
Tuck  
Wharton  
Whitten  
Wier

## NOT VOTING—41

Allen, Calif.  
Barden  
Barrett  
Blitch  
Boykin  
Buckley  
Burdick  
Colmer  
Cooley  
Dies  
Engle  
Forand  
Fountain  
Gordon

Grant  
Green, Pa.  
Griffiths  
Gwinn  
Hébert  
Hillings  
Horan  
James  
Kean  
Kluczynski  
McMillan  
Mills  
Morrison  
Mumma

Radwan  
Rains  
Robison, N. Y.  
Sadlak  
St. George  
Sheppard  
Sieminski  
Smith, Va.  
Staggers  
Stauffer  
Teague, Tex.  
Willis  
Young

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mrs. St. George.  
Mrs. Griffiths with Mr. Kean.  
Mr. Kluczynski with Mr. Horan.  
Mr. Barrett with Mr. Stauffer.  
Mr. Green of Pennsylvania with Mr. Mumma.  
Mr. Young with Mr. Allen of California.  
Mr. Boykin with Mr. James.  
Mr. Engle with Mr. Sadlak.  
Mr. Forand with Mr. Robison of New York.  
Mr. Fountain with Mr. Hillings.  
Mr. Rains with Mr. Gwinn.  
Mr. Sheppard with Mr. Radwan.  
Mr. Morrison with Mr. Burdick.

Mr. GEORGE changed his vote from "present" to "no."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE TO EXTEND

Mr. KILDAY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## INDEPENDENT OFFICES APPROPRIATION BILL, 1959

Mr. DELANEY. Mr. Speaker, by direction of the Committee on Rules I call up House Resolution 510 and ask for its immediate consideration.

The Clerk read as follows:

*Resolved*, That during the consideration of the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes, all points of order against the bill are hereby waived.

Mr. DELANEY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and use myself such time as I may use.

Mr. Speaker, House Resolution 510 provides that all points of order shall be waived against the independent offices appropriation bill, H. R. 11574:

There are two main items subject to points of order. The first appears on page 4, line 8, providing that whenever Congress enacts any legislation which would increase annuities, Congress will appropriate funds before the increases go into effect. This is designed to protect the solvency of the civil-service retirement and disability fund in which there is now approximately a \$19 billion shortage.

The other item appears on page 12, line 2 of the bill and provides that the Government must award direct contracts on Government buildings which are under the jurisdiction of the General Services Administration rather than lease-purchase contracts. The only exception provided is on buildings used solely for post-office buildings.

Testimony before the Rules Committee by the chairman of the Post Office and Civil Service Committee and members of the Public Works Committee indicated that these committees had no objection to the waiving of points of order and, in fact, were in favor of the proposals in the appropriation bill.

I urge the adoption of House Resolution 510.

Mr. HYDE. Mr. Speaker, will the gentleman yield?

Mr. DELANEY. I yield.

Mr. HYDE. I understand from what the gentleman says that the item on page 4 starting in line 12 would be subject to a point of order without this resolution.

Mr. DELANEY. That is correct. This waives points of order against items in the bill.

Mr. HYDE. But that would not prevent the offering of an amendment to delete the section.

Mr. DELANEY. The gentleman is correct. Such an amendment can be offered when the bill is read under the 5-minute rule. This simply waives points of order being made against any item in the bill. Without this rule a point of order could be raised against it on the ground that it is legislation in an appropriation bill.

Mr. HYDE. Mr. Speaker, I do not think the rule should be adopted waiving points of order to that part of the bill, because I think there should not

be legislation of that kind in the bill; it should be considered separately.

Mr. DELANEY. That is what the resolution does. If the gentleman does not agree with it, vote against it.

Mr. HYDE. I know that; I just want to put my objection on the record.

Mr. DELANEY. I hope it is clear.

Mr. ALLEN of Illinois. Mr. Speaker, the gentleman from New York has ably explained the rule. There are very few of us who enjoy voting for rules waiving points of order.

I am convinced that the objectives as contained in the proviso waiving points of order are sound. In my opinion, past independent offices appropriation bills should have had this proviso in it a long time ago.

Mr. Speaker, the rule does not provide time for debate, but it is my understanding that the gentleman from Texas [Mr. THOMAS] and the gentleman from Illinois [Mr. VURSELL] will decide on that. It is also my understanding they intend to ask for 3 hours of general debate.

Mr. DELANEY. That is my understanding.

Mr. ALLEN of Illinois. It is my understanding also that we are to come in at 12 o'clock. Mr. Speaker, I reserve the balance of my time.

Mr. DELANEY. Mr. Speaker, I yield 3 minutes to the gentleman from Mississippi [Mr. COLMER].

Mr. COLMER. Mr. Speaker, I take this time because of the question that has been raised about waiving of points of order. Generally speaking, I do not look with too much favor on waiving points of order. It is only fair to say that this is legislating upon an appropriation bill. On the other hand, there are times when that is justified, and, in my opinion, this is one of those times.

I have reference particularly to the waiving of points of order on the question of paying into the trust fund the required amount when the provisions of that fund are liberalized to the extent of raising the pay of annuitants. You and I, as well as the annuitants that we represent at home, are involved in this matter because we pay into that trust fund ourselves and as one who hopes some day to become the beneficiary of that payment I want to see that fund kept sound. I want to see it kept solvent so that it will have some value in the future. Therefore, Mr. Speaker, I hope there will be no fight made on that provision when the bill is read under the 5-minute rule. We must keep the fund solvent.

Mr. DELANEY. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. THOMAS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes; and pending that

motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, the time to be equally divided and controlled by the gentleman from Illinois [Mr. VURSELL] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11574, with Mr. ALBERT in the Chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. THOMAS. Mr. Chairman, we have discussed this matter with the leadership, and I move that the Committee do now rise.

The motion was agreed to.

Accordingly, the Committee rose, and the Speaker having resumed the chair, Mr. ALBERT, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 11574, had come to no resolution thereon.

#### ADJUSTMENT OF CERTAIN LEGISLATIVE JURISDICTION

The SPEAKER laid before the House the following request of the Senate:

*Ordered.* That the Secretary of the Senate request the House of Representatives to return to the Senate the bill (S. 1538) entitled "An act to provide for the adjustment of the legislative jurisdiction exercised by the United States over land in the several States used for Federal purposes and for other purposes."

The SPEAKER. Without objection, the request of the Senate is agreed to.

There was no objection.

#### THE 85TH CONGRESS HAS NEGLECTED TO PROVIDE FEDERAL AID TO DISTRESSED AREAS SUFFERING FOR YEARS FROM CHRONIC UNEMPLOYMENT

(Mr. VAN ZANDT asked and was given permission to address the House for 1 minute and to revise and extend his remarks in the Appendix.)

[Mr. VAN ZANDT addressed the House. His remarks appear in the Appendix of today's RECORD.]

#### PRESIDENT SHOULD VETO FARM PRICE FREEZE BILL

(Mr. RHODES of Arizona asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RHODES of Arizona. Mr. Speaker, the Democrat action in forcing a farm price freeze through Congress was the most devastating and underhanded assault on the American consumer of the 85th Congress. In addition, it would,

if allowed to become law, do irreparable harm to the American farmer.

It seems strange that a great political party would in times of unemployment take action intended to cause the price of food to rise, and to do so by taking action with which, I am sure, a majority of the farmers do not agree.

The farmer wants to be allowed to produce, not to be kept from it. He realizes that his best interests lie in regaining markets at home and abroad which he has lost because of the unrealistic Truman farm policy. To do this he must produce enough to supply the market, and do so at a price which is competitive.

I shall urge President Eisenhower to veto this measure.

#### CORRECTION OF VOTE

Mr. O'KONSKI. Mr. Speaker, rollcall No. 29 this morning fails to show that I was present and voted "Yea." I ask unanimous consent that the rollcall be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

#### MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Ratchford, one of his secretaries.

#### TEMPORARY CONTINUATION OF UNEMPLOYMENT COMPENSATION BENEFITS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 358)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and referred to the Committee on Ways and Means and ordered to be printed:

*To the Congress of the United States:*

I recommend to the Congress the enactment of legislation to provide for the temporary continuation of unemployment compensation benefits to otherwise eligible individuals who have exhausted their benefits under State and Federal laws. I believe that these workers and their families should be enabled temporarily to receive weekly benefits for a longer period than is now in effect so that in the current economic situation they and their families can obtain a greater measure of security.

These recommendations reflect my strong conviction that we must act promptly, emphatically, and broadly to temper the hardship being experienced by workers whose unemployment has been prolonged. They also reflect my conviction that the need for additional assistance to these workers will be of relatively brief duration.

Such legislation should not encroach upon the prerogatives which belong to the States, and matters of eligibility, disqualification, and benefit amounts should

be left to the States. The legislation should provide, however, for the payment to individuals who have exhausted their regular unemployment compensation benefits, of temporary benefits for an additional period equal to one-half of the duration of their regular benefits.

The State employment security agencies and the Railroad Retirement Board would administer the program. The Government would be reimbursed for the costs incurred by it for this program in each State through an increase, 4 years after the program's end, in the tax-payments to the Federal Government by employers in that State under the Federal Unemployment Tax Act. Any State, however, that wished to avoid an increase in such tax on the payrolls of employers within the State could provide for reimbursement to the Federal Government either by direct appropriation or by authorizing transfers from its credit in the unemployment trust fund.

The temporary Federal assistance which this program provides, while of great immediate benefit, is in no sense a substitute for extending the coverage of unemployment compensation which I have previously recommended, or for appropriate State action extending the duration of benefits and increasing benefit amounts which I have previously urged upon the States.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, March 25, 1958.

#### COMMITTEE ON UN-AMERICAN ACTIVITIES

(Mr. LANE asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. LANE. Mr. Speaker, a House Subcommittee on Un-American Activities has just concluded 4 days of hearings at Boston.

Excellent staff work had prepared the way for one of the most interesting and revealing probes ever conducted by a committee of the Congress in the New England area. The one regret was the impossibility of extending the hearings so that the Communist organization and its activities in this region would be completely exposed. For it is only by such factual investigations that our people may learn how the Communist conspiracy operates, and from the knowledge gained, be able to detect and thwart its divisive tactics.

The press, radio, and television also performed a public service by the space and time they gave to their reports of the hearings, so that the people of New England were fully informed as to developments.

In spite of the evasions and provocations of some hostile witnesses, the committee members conducted the hearings in such a fair and true manner, that the public was impressed with the important and constructive role played by congressional investigating committees.

We realize that this subcommittee has a crowded schedule, but we hope that it will return to Boston in the future to carry on its vigilant and patriotic service in exposing the great deceit that is communism. The arrogance dis-

played by some of the party members, who flaunted their red shirts as they gave their squirming answers to pointed questions, did not fool anyone present. Their cynical boldness failed to hide their confusion and fear as their subversive operations were brought out into the light of day.

I believe that the Congress should not only congratulate, but should further recognize and honor the exceptional services rendered by those Americans who, at such personal sacrifice, have worked as unpaid undercover agents for the Federal Bureau of Investigation.

The success of the Boston hearings was due in large measure to the testimony given by two surprise witnesses, Armando Penha, 37, of Fairhaven, Mass., and Mrs. Carol Foster, 44, of Nashua, N. H. Years ago, these two Americans on their own, separately made inquiries as to how they could best serve their country. They were advised to join the Communist Party as under-cover agents for the FBI.

As Mrs. Foster exclaimed, with relief, after the hearings were over: "Now, I can live again." These two fine Americans had to give up much, in terms of normal living, in order to carry out their confidential work which proved to be of such service to the FBI and to the security of our Nation.

Between the 2, the committee received the names of 150 or more persons who were identified as party members. These disclosures have caused a temporary panic in the "secret society" as the Communists begin to suspect and distrust each other. From now on, the hard-core members of the party apparatus will double-check, and keep a close eye on their "comrades." The group will become smaller, but more difficult to detect. Therefore, the FBI undercover operatives in their ranks must be extra careful to conceal their identity as they carry out their nerve-racking assignments which are indispensable to the FBI in breaking up the Communist conspiracy.

The United States can never afford to ignore this threat from within. It will not make this mistake as long as we have devoted Americans to serve as undercover agents; cooperating with the efficient FBI; and with the vigilant members of the Committee on Un-American Activities of the United States House of Representatives.

Together, they make a team that is credited with an outstanding public service in protecting the internal security of the United States.

#### AIR POLLUTANTS

(Mr. MILLER of California asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MILLER of California. Mr. Speaker, the armed services have a responsibility to live as good neighbors with the communities around them. Air pollutants from an Army powerplant or an Air Force or Navy rubbish burning operation are not neighborly. And, of course, they cannot be justified on the basis of military necessity or defense needs.

Mr. Benjamin Linsky, air pollution control officer of the San Francisco Bay Area Air Pollution Control District, brought to my attention that a spokesman for the chemical industry has said, "Air pollution control is largely a matter of economics. A community can have about as pure air as it wishes to purchase."

But a community, because it has no legal control over the Federal Government, must depend on the good judgment of the local installation's director and the good judgment and budgetary support of his superiors, including the Congress of the United States and its Appropriations Committees, as well as the Bureau of the Budget.

I believe it would be well for the United States Government to establish a policy firmly approved by Congress to require that military and defense activities be conducted in conformity with State and local laws relating to the air pollution abatement program and I am today introducing a concurrent resolution which would put this policy into effect.

Enactment of this resolution would require the Secretary of Defense to establish uniform policies and practices for the military departments with respect to the conduct of any activity which may result in air pollution. It would also serve as a guide to other Federal Government agencies in the conduct of their activities.

The effect of such a policy will remove the repeated embarrassment of Federal installations and their staffs and superiors because they are trailing, rather than leading, in reducing local air pollution.

Mr. Linsky has informed me that some Federal installations in the San Francisco Bay area continued open dump burning of garbage long after it had been stopped at local and State operations, because, with the best cooperation from the local commanding officers, there was inadequate and delayed planning ahead and fiscal provision by higher authority.

Mr. Speaker, this resolution will reduce substantially the danger to public health and welfare resulting from air pollution. I urge its prompt consideration and approval by Congress.

#### BYELORUSSIAN INDEPENDENCE DAY

(Mr. MICHEL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. MICHEL. Mr. Speaker, today is Byelorussian Independence Day. The Byelorussians are perhaps the least known of the many peoples forcibly brought under Soviet communism. One hears of the Ukrainians, the Baltic peoples, of those in the caucuses, and even of those in distant Asian countries, such as the Kazakhs, Turkmen, and the Uzbeks. But one seldom hears of the Byelorussians, despite the fact that they as an ethnic group are more numerous than any of the other groups I have mentioned. As a matter of fact, the Byelorussians—or the Ruthenians, the White Russians, whatever name one applies to





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 27, 1958  
For actions of March 26, 1958  
85th-2d, No. 49

## CONTENTS

Acreage allotments.....9,19		
Acreage reserve.....20		
Appropriations...1,2,20,29		
Buildings.....2		
Cotton textiles.....18		
Dairy industry.....22		
Electrification.....12,15	Legislative program.....7	Retirement.....2
Farm program.....3,9,19	Livestock.....24	Roads.....6,8,27
Foreign aid.....23,26	Marketing.....24	Small business.....25
Foreign trade.....11,18	Meatpackers.....13	Statehood.....5,16
Forestry.....8,14	Personnel.....4	Water resources.....21
Lands.....17	Price supports.....9,19	Wildlife.....10,28

HIGHLIGHTS: Sens. Johnson, Humphrey and Proxmire urged President to sign measure to freeze price supports and acreage allotments. Senate debated road authorization bill. Sen. Kefauver urged transfer of certain functions under Packers and Stockyards Act from USDA to FTC. House received President's request for immediate appropriations to accelerate procurement programs. Rep. Reece commended administration's farm program. House debated independent offices appropriation bill.

## HOUSE

1. APPROPRIATIONS. Received from the President a request that Congress appropriate immediately for the civilian agencies of the Government up to 50% of the amounts set forth in the Budget for the fiscal year 1959 for the objects "Supplies and materials" and "Equipment" in order to accelerate planned procurement programs. These amounts would be available in the fiscal year 1958 but would be charged against the appropriations eventually made for the fiscal year 1959 (H. Doc. 359); to Appropriations Committee. p. 4810
2. INDEPENDENT OFFICES APPROPRIATION, 1959. Began debate on this bill, H. R. 11574, with discussion on the lease purchase building program (pp. 4750-1, 4754-5, 4763-4, 4768-71, 4776-8, 4783-91), GSA motor vehicle operations (pp. 4751-2), National Science Foundation activities (pp. 4752-3, 4755-6, 4761-2, 4767-8), VA research (pp. 4757-9, 4762-3), and the Civil Service Retirement fund (pp. 4759-60, 4764-5, 4777-83).

Rejected the following amendments:

By Rep. Taber, 47 to 128, to strike out the \$589 million payment to the Civil Service Retirement fund (pp. 4777-80);

By Rep. Hyde, 52 to 83, to delete a provision in the bill prohibiting the payment of any increase in retirement annuities until Congress appropriates sufficient money to pay for possible deficits in the Civil Service Retirement Fund (pp. 4780-3);

By Rep. Jonas, 106 to 115, to allow the use of appropriated funds to complete lease purchase contracts entered into before July 1, 1958 (pp. 4785-91);

By Rep. Loser, to delete the provision in the bill ending the Lease Purchase program (pp. 4789-90, 4791-2).

3. FARM PROGRAM. Rep. Reece, Tenn., commended the Secretary for "the wise and courageous leadership he has given to basically improve the position of agriculture," and asserted that the farm situation was improving, with farm income per capita the highest on record. pp. 4749-50
4. PERSONNEL. A subcommittee of the Judiciary Committee ordered adversely reported to the full committee H. R. 4757 and H. R. 5267, to grant certain employees the protection of the Criminal Code against assaults. p. D263
5. STATEHOOD. Rep. Rhodes, Ariz., urged passage of the Alaska statehood bill. p. 4793
6. ROADS. Rep. Cramer inserted tables in the record which he stated showed that "Many of the Governors and their State road boards who are calling most vociferously for further Federal assistance in these months of unusual unemployment are not making full use of the largest public works program in the history of the world." pp. 4794-6
7. LEGISLATIVE PROGRAM. The Daily Digest announced that on Thurs., Mar. 27, the House will further consider H. R. 11574, the independent offices appropriation bill for 1959, followed by H. R. 11645, the Labor and Health, Education and Welfare Departments appropriation bill for 1959. p. D262

SENATE

8. ROADS. Continued debate on S. 3414, the road authorization bill. pp. 4821, 4830, 4831-4907

Rejected by a vote of 41 to 47, an amendment by Sen. Kerr to strike out sec. 12 of the bill providing for the regulation of billboards along the interstate highway system. pp. 4831-88

Agreed to the following amendments:

By Sen. Case, S. Dak., to provide that in reimbursing States for the relocation of utility facilities "Federal funds shall not be reimbursed to any State .... when the payment to the utility violates the law of the State or violates a legal contract between the utility and the State." p. 4888

By Sen. Mansfield to authorize for forest highways "the additional sum of \$10,000,000 for the fiscal year ending June 30, 1959, and the sum of \$36,000,000 for each of the fiscal years ending June 30, 1960 and June 30, 1961," to authorize for forest development roads and trails "the additional sum of \$13,000,000 for the fiscal year ending June 30, 1959, and the sum of \$34,000,000 for each of the fiscal years ending June 30, 1960 and June 30, 1961," and to strike out the provision relative to the apportionment of the above items which stated that "the apportionment heretofore made by the Secretary of Commerce for the fiscal year ending June 30, 1959, is hereby approved." pp. 4888-93



United States  
of America

# Congressional Record

PROCEEDINGS AND DEBATES OF THE 85<sup>th</sup> CONGRESS, SECOND SESSION

Vol. 104

WASHINGTON, WEDNESDAY, MARCH 26, 1958

No. 49

## House of Representatives

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Brashamp, D. D., offered the following prayer:

*I Corinthians 16: 13: Watch ye, stand fast in the faith, quit you like men, be strong.*

O Thou God of all might and majesty, may we go through the hours of this day with a strong and steadfast faith in Thy guiding and gracious presence.

We confess penitently that our finite minds and hearts are tempted frequently to surrender to the spirit of discouragement and defeatism.

Grant that we may accept Thy divine leading with courage and confidence, assured that when we follow Thee we shall not walk in darkness but have the light of life.

Hear us in the name of our blessed Lord who proclaimed himself to be the light of the world. Amen.

### THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

### ANNIVERSARY OF THE BIRTH OF JONAH KUHIO KALANIANA'OLE

(Mr. BURNS of Hawaii asked and was given permission to address the House for 1 minute.)

Mr. BURNS of Hawaii. Mr. Speaker, today, March 26, is a legal holiday in Hawaii, commemorating the anniversary of the birth of Jonah Kuhio Kalaniana'ole, prince of the realm in the days of the kingdom, political prisoner and exile in the time of the republic. Delegate from Hawaii to the Congress of the United States during 19 years of Hawaii's 57 as an integral part of the United States.

Jonah Kuhio Kalaniana'ole is honored by the commemoration of his birth because he was an American whose dedication and devotion to the ideals and principles of our Founding Fathers are amply demonstrated by his continuing efforts to improve the political and economic institutions by which the people of his beloved Hawaii lived.

Delegate Kalaniana'ole was an honor and a credit to this House, to the people of Hawaii, and to the Polynesian who

has made the major contribution in the development of the "man of the Pacific"—whose peculiar value to the United States is becoming increasingly apparent.

The people of Hawaii ask you to join them—by wearing the orchids provided—transportation, courtesy of United Airlines—in observing the anniversary of one of Hawaii's greatest sons who served with distinction for the best part of 10 terms in this House.

### COMMITTEE ON PUBLIC WORKS

Mr. SMITH of Mississippi. Mr. Speaker, I ask unanimous consent that the Committee on Public Works may sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

### PERSONAL EXPLANATION

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to have the RECORD show that had I been present I would have voted "yea" on the bill H. R. 11470.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

### COMMITTEE ON BANKING AND CURRENCY

Mr. ALBERT. Mr. Speaker, on behalf of the gentleman from Kentucky [Mr. SPENCE] I ask unanimous consent that the Committee on Banking and Currency may sit this afternoon during general debate.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

### THE STORY OF FREE ENTERPRISE

(Mr. ALGER asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ALGER. Mr. Speaker, we learned a lot of wisdom from the fables to which wise teachers directed our attention in

childhood. More is the pity that so many of us easily forget the wisdom in some of these parables, and recall them only as fairy tales. In this day when so many seem convinced that government has the ability, and even the responsibility, to alter economic laws—to provide for our well-being—two such tales spring to mind.

It is hard to tell which holds for us, in our maturity, the most profound lesson.

Have any of us forgotten the story of the ridiculous rooster who became convinced that it was his loud crowing that commanded the sun to rise each morning?

Perhaps more pertinent to today's problems, and we might all relax and laugh with one another once again over it, is the fable of the monkey whose duty it was to divide the cheese between the cats. To balance the scales, if you remember, he nibbled, first from one cheese and then from the other until all the cheese had been eaten—and the cats had none. Can any government do better than that monkey?

### THE IMPROVEMENT IN THE POSITION OF AGRICULTURE

(Mr. REECE of Tennessee asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. REECE of Tennessee. Mr. Speaker, the farm situation is on the mend. It is climbing steadily out of the postwar depths into which it was plunged by extending emergency programs beyond their practical usefulness, and beyond the time when they were of real help to farmers.

Income per person on farms last year was the highest on record. It was up 2 percent over 1951, the previous high year and, if you recall, a war year; 1957 was a year of peace.

Farm assets as of January 1 stood at \$188 billion. That was an alltime high.

Farmers have less than \$11 in debts for each \$100 of assets. Back in 1940, before we felt the effects of wartime inflation, the ratio was \$19 for each \$100.

Farm ownership is also at a record high. Only 1 in 3 farms has a mortgage.

Contrary to what you may have heard, the family farm continues to dominate agriculture. Ninety-six percent of our farms and ranches are family operations. That is about what it was 30 years ago, though now it takes more capital and in some cases more land to make up a family-style farm.

And this must not be overlooked when we consider the overall condition of the people of American agriculture—the level of living on farms is the highest in history.

Last year our Tennessee farmers received higher cash receipts from cattle, hogs, and corn. However, these increases only partly offset a substantial decline in cotton. I might remind you that cattle and hogs operate in a free market, without any kind of production restraints or marketing quotas. Cotton has had the full treatment of all these dubious benefits.

In Tennessee we are grateful to Secretary Benson for the wise and courageous leadership he has given to basically improve the position of agriculture.

#### CORRECTION OF THE RECORD

Mr. McCARTHY. Mr. Speaker, in my discussion of the farm problem with the gentleman from California [Mr. HESTAND] yesterday, a comment which I made was incorrectly reported in the CONGRESSIONAL RECORD.

I stated that I wondered if the gentleman was complaining of pressure put on by the Democrats in this country, why was it that the Senate Republican policy committee had just voted, 17 to 14, urging the President to agree to the price freeze?

This question was distorted in the RECORD at page 4736 and I ask unanimous consent that the RECORD be corrected accordingly.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### INDEPENDENT OFFICES APPROPRIATION BILL, 1959

Mr. THOMAS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 11574, with Mr. IKARD in the chair.

The Clerk read the title of the bill.

Mr. THOMAS. Mr. Chairman, I yield to the gentleman from California [Mr. DOYLE] such time as he may desire.

Mr. DOYLE. Mr. Chairman, although I was excused from attendance on the floor last week on account of necessarily

going to Boston as a member of a subcommittee of the Committee on Un-American Activities, I do wish to have the RECORD show how I would have voted on the five rollcalls that occurred last week during my necessary absence.

On rollcall 22, if I had been present, I would have voted "yea"; on rollcall 23, "yea"; on rollcall 25, "yea"; on rollcall 27, "nay"; and on rollcall 28, "yea."

I thank the gentleman from Texas.

Mr. THOMAS. Mr. Chairman, may I say to our colleagues that we on the Independent Offices Subcommittee are glad to come to you and submit this bill, which is the result of several long weeks of hard study on our part. We hope you will agree with us. We think we have a good bill.

As far as I am concerned, there are just no finer folks than we have on this subcommittee. We get along beautifully, and we work well together. Whatever difficulties we have we try to iron out before we get here.

This bill, I think by and large, is a good bill. May I point out that there are 2 or 3 things I want to call to your attention. One relates to the Veterans' Administration. We went \$8,365,000 above the budget in regard to inpatient care.

In that regard, we have a new administrator, Mr. Sumner Whittier, a young gentleman from Massachusetts. We think he is going to be one of the best administrators the VA has ever had. We are all impressed with him. We wish him well. I believe he will cooperate with the Members here and give the veterans an outstanding job.

In another item we put in a little money above the budget for them to get busy and renovate some of the old buildings that should have been brought up to date several years ago. It does not save any money to postpone repair and maintenance on these Federal buildings.

In another item, we put in around \$177 million for 66 multipurpose buildings. We did it because we think these buildings ought to be built. For another reason, it is cheaper by almost three-quarters of a dollar for every dollar spent for their construction to do it by direct appropriation instead of lease-purchase. For the same building, the same square footage, it would otherwise cost you about \$1.60 or \$1.65.

We have had a lot of questions about buildings used exclusively for post offices. They are not included in this bill. We have been asked why not. It is because the Post Office Department handles that. But may I respectfully say that I do not think the Post Office Department ought to be in the construction business? They were set up to deliver the mails—period. It is a fine organization, regardless of what you may think of Mr. Summerfield or his politics. Whether you agree or do not agree, he certainly is an outstanding man. He works at the job. But I do not think he ought to be in the construction business. When you set up a duplicate construction agency you are adding cost upon cost. For over 100 years the Public Building Service has been doing the construction work for Federal office build-

ings and post offices, and it ought to be there. So, let us get rid of lease-purchase, and that is what we have done.

Mr. WALTER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. WALTER. In many jurisdictions throughout the United States the facilities for the judiciary are woefully lacking.

Mr. THOMAS. I agree with the gentleman.

Mr. WALTER. We find judges with their chambers in office buildings at a great distance from the courts themselves, which, of course, causes inconvenience not only to the judges, but to the litigants who must go to them for orders and other court business. I wonder whether or not the gentleman's committee in its wisdom has given consideration to the additions to Federal court facilities.

Mr. THOMAS. I will say to our beloved friend, the gentleman from Pennsylvania, the legislative committee has the jurisdiction of approving such matters. Our committee does not attempt to write out the projects. That comes within the jurisdiction of the Committee on Public Works. But, may I say to the gentleman that in this bill there are a good many courthouse buildings.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. BURLESON. Will the gentleman explain the criteria used by the committee in approving the sum of \$177,255,000 for the construction of 66 Federal buildings as found on pages 3 and 4 of the report accompanying this bill?

As I understand the action of the committee, you have approved these 66 buildings in about 28 States under a 1926 authorization. The 66 buildings are a part of 146 projects approved under the now expired lease purchase law.

Now, if the committee uses the approval of projects under the expired law as a criterion for appropriations for construction, 80 buildings will have priority ahead of the needs of other communities where the need is very great.

I have in my district a town, Dublin, Texas, where the Federal Government has bought and owns lots for a post office building. By reason of the Government owning the lots and because the proposition of private capital not being attracted, no consideration under lease purchase has been given. Now it seems to me that this community will be penalized by reason of the Government owning the property in the town.

Mr. Chairman, I understand that official estimates indicate it requires \$10 billion to build even the minimum buildings needed but it seems to me the committee has somewhat discriminated in selecting the projects herein provided. In addition, must those places where the need is so great, wait until these remaining 80 projects receive appropriation? It seems to me that these selections, by reason of having been approved under the so-called Lease Purchase Law, now expired, is not particularly logical or fair. It does not

follow that the need is any greater or as great, in the locations of these projects, as many others but they simply happened to have been included in a plan which was never contemplated until the past few days as a qualification for providing construction funds.

Mr. Chairman, I hope my good friend and distinguished colleague from Texas, Mr. THOMAS, or someone on his committee, will discuss this proposition in clear detail.

Let me say further Mr. Chairman, that I congratulate my colleagues who are fortunate enough to have one of these projects in their congressional district but I would like to have my day in court to present the needs which are near desperate in my district.

I urge that the criteria, which I understand is used in these selections, be broadened beyond those projects approved under the old lease-purchase plan, to give consideration to other pressing needs.

Mr. THOMAS. May I explain to my colleague, the gentleman from Texas [Mr. BURLESON] that he and certainly no Member of this body or any other body should be penalized or be hurt in his home district for any reason with reference to this, and certainly not for reasons of not having a post office in this bill or bills to follow. I realize, and this subcommittee realizes, that we have not had a post office construction program or any Federal office building construction program in this country since 1938. The projects under the jurisdiction of this committee are those which we call multi-purpose buildings, and they have been authorized and approved before they get to our subcommittee. They must be authorized and approved by the House Committee on Public Works before they come to us. Mr. JONES, of Alabama, who heads that particular subcommittee is going to take some time and he is going into it. We do hope that committee authorizes under direct appropriation and not under lease-purchase, some post office buildings, and if they send them to the Subcommittee on Independent Offices, I give you my word we will get our subcommittee together real quick and my guess and hope is that they will put some money in a bill for your buildings.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. DAVIS of Georgia. Yesterday the Committee on Rules granted the rule to bring House bill H. R. 607 to the floor. That is a bill which would provide a 10-percent increase in the annuity of retired civil-service employees. The other body has already passed Senate bill, S. 72. On page 4, there is a proviso in this bill which is coming up now beginning on line 12 and ending on line 23, the effect of which would be to nullify the proposed increase.

Mr. THOMAS. If I may interrupt my colleague, may I say "No, this does not nullify anything." That is not the intention and it will not do that. Whatever your distinguished committee brings to this House in the way of an increase in annuities, and I speak for this group now, you come to the Committee on Ap-

propriations and we are going to give you the money.

Mr. DAVIS of Georgia. I thank the gentleman.

Mr. THOMAS. All this language does is this: It says that whenever a legislative committee increases annuities, before they go into effect we must supply the money. Is there anything wrong with that? Here is this committee saying that whenever you increase them, whatever it is, come to the committee and we are going to you the money.

Mr. DAVIS of Georgia. I thank the gentleman for that assurance.

Mr. GROSS. Will the gentleman yield?

Mr. THOMAS. I yield.

Mr. GROSS. I am glad to hear the gentleman bespeak his respect for the legislative committees. I only wish he had not inserted legislation in this appropriation bill. If no one else does, I intend to offer an amendment to strike it out. Why did not the gentleman yesterday, when the military pay bill was before the House, which increased retirements, offer the same proposal to the military pay bill?

Mr. THOMAS. Of course, that does not come out of this fund. If it came out of this fund, the chances are we would have.

The very able and distinguished chairman of the Civil Service Committee is supporting this provision. What else could we have done than to go to that committee and ask the chairman to support that legislation, and he did?

Does that answer my friend?

Mr. GROSS. No, it does not.

Mr. THOMAS. It answers it, but the gentleman is not satisfied.

Mr. GROSS. I certainly am not satisfied.

Mr. LOSER. Will the gentleman yield for a couple of questions?

Mr. THOMAS. I yield.

Mr. LOSER. I observe on page 12, lines 2, 3, 4, 5, and 6, certain language. My question is: Does not the language on page 12 to which I have just referred keep in full force and effect the lease-purchase agreements with reference to post offices?

Mr. THOMAS. It does.

Mr. LOSER. Then may I ask the chairman if lease-purchase contracts cost three-quarters of a dollar more than direct appropriations, why would it not be the better part of judgment to strike out that language?

Mr. THOMAS. A fine question, and it deserves an answer. This subcommittee is not going to encroach on the jurisdiction of any other subcommittee. Another subcommittee put in the Post Office Department appropriation bill \$3 million for lease purchase.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

The gentleman has consumed 10 minutes.

Mr. VURSELL. Mr. Chairman, I yield 20 minutes to the gentleman from North Carolina [Mr. JONAS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield to me for a moment?

Mr. JONAS. I yield.

Mrs. ROGERS of Massachusetts. I was delighted to hear the chairman of the Appropriations Committee speak favorably of the new Administrator of the Veterans' Affairs. We are very proud of him. I know how anxious he is to do a job for the veterans.

Mr. THOMAS. And I think he is going to do a good job.

Mr. JONAS. Mr. Chairman, at the outset I wish to express my appreciation for the opportunity of serving with the members of this subcommittee. It is quite an experience to serve on the committee under the leadership of the distinguished and able gentleman from Texas [Mr. THOMAS] who is in charge of the bill today. He is a past master of diplomacy, and presides over the committee with a very, very fine touch. He is a warm personal friend of mine, and I pay this tribute to him today because it is well deserved. The privilege of working with the other members of the majority side has been one that I have greatly enjoyed, and I should also say the same thing with respect to my colleagues on my own side of the aisle.

There is some language in the report which purports to speak for the committee, but for which the committee is not actually responsible. The committee never had any opportunity to consider or discuss the report before it was filed. All of the credit for the language and for the comments in the report should go to the chairman of our subcommittee. There are some things stated in the report with which I do not agree. I am not taking any exceptions to the language used, because I understand how majority control works; but I do want to disclaim any responsibility for it.

There is one program financed by this bill in which I have a direct interest and it is noncontroversial. I would like to take a few minutes of the time allotted me to report to the membership and for the record some of the accomplishments of the General Services Administration during the last 5 years in bringing under control the vast motor-vehicle fleet which is being operated by the United States Government.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I yield to the gentleman from Tennessee.

Mr. EVINS. Mr. Chairman, I should like to compliment the gentleman for this area of activity in which he has been most effective. The gentleman is responsible for consolidating the motor pool activity. He has looked into the cost of the operation of vehicles in the Government and has made a very signal contribution in that regard.

Mr. JONAS. I thank the gentleman very much for his kind words. It is true I have been actively interested in this field for the last 5 years and that is the reason I am taking this time today to make a sort of report to the membership.

Public Law 766, 83d Congress, of which I had the privilege of being the author—authorized the Administrator of General Services Administration to establish and operate interagency motor pools. The

vehicles in these pools are financed through the general supply fund on a reimbursable basis.

By the end of 1957, 22 motor pools were in operation. By the end of 1958, 18 additional pools will have been established, bringing up to 40 the number of major cities in the United States in which motor pools are operating. Sixteen additional pools are programed for 1959. If all goes according to plan, we will have, by the end of 1959, 56 motor pools operating in as many cities in the United States.

By this motor pool operation, GSA has, through 1957, removed 547 motor vehicles from the Government's motor fleet. An additional 781 vehicles have been eliminated from the 22 locations where motor pools are in operation. The motor vehicles inventory will be further reduced progressively as additional pools are established.

The opportunity to save money in a substantial amount through better management of the Government's motor fleet should be obvious by mere recital of the fact that the Federal Government today owns and operates 214,243 commercial vehicles, excluding military troop training and tactical vehicles. Of this total, 104,270 vehicles are operated by civilian agencies of the Government, 109,973 by the Department of Defense.

A breakdown of the 214,243 commercial vehicles discloses that 38,103 of them are automobiles; 14,039 are station wagons, ambulances, and buses; and 162,101 are trucks. It is interesting to note that in 1953 the comparable total was approximately 260,000 vehicles, so that during the last 5 years we have reduced the Government's motor vehicle fleet by some 46,000.

The cost of operating this great fleet of motor vehicles is breathtaking. Maintenance and operating costs alone for fiscal 1957 were \$178 million.

This vast fleet of motor vehicles consumed 195,429,949 gallons of gasoline in 1957, at a cost of approximately \$48 million.

The bill which I introduced in the 83d Congress, and which became law during the 2d session of that Congress, was designed to develop some economies in the management of this vast motor fleet. Results to date, as reported to our subcommittee by the Motor Vehicles Management Section of GSA, indicate that the operation has been successful from the standpoint of effecting savings. I would like to cite three areas in which these savings occur:

First. The reductions in our motor fleet inventory, to which reference has heretofore been made, result in substantial savings to the taxpayers. The following table indicates the extent of these savings at the end of each year indicated in fleet reductions only:

1955-----	\$365,000
1956-----	590,000
1957-----	664,000
1958-----	914,000
1959-----	1,164,000

Second. Savings are also accomplished by the gradual reductions in cost per mile of vehicles operated. This is made possible by keeping the vehicles in use and not in storage. Where motor pools

are not in operation, frequently vehicles are used only occasionally but have to be available, stored and ready for use when needed. But in cities where the pools function, one vehicle can be used by a number of different agencies, and this makes for a more efficient operation and reduces the total cost per mile of use.

The following table lists the savings that have been accomplished per year through reduction in cost per mile of motor vehicle use:

1955-----	\$9,600
1956-----	226,000
1957-----	839,000
1958-----	1,800,000
1959-----	2,400,000

Third. The third area in which savings are accomplished is referred to by GSA as fringe benefits. These include reduction in number of force account repair shops whenever the work can be performed more cheaply by commercial shops, eliminating parts supply facilities and by developing improved and modern safety programs which result in better care of equipment and fewer accidents. The following table indicates the savings per year in this area:

1955-----	\$146,400
1956-----	483,500
1957-----	497,000
1958-----	456,000
1959-----	436,000

The total of these three specific items of savings by the motor pool operation are summarized as follows:

1955-----	\$521,000
1956-----	1,300,000
1957-----	2,000,000
1958-----	3,170,000
1959-----	4,000,000

The original goal of the legislation was to effect an annual savings to the taxpayers of at least \$5 million per year. Based upon results obtained to date, it is apparent that this goal will be attained by 1960.

The cost of operating these pools is nominal in comparison with the substantial savings. Annual costs are less than \$200,000 a year—\$194,500 to be exact. The program is run by the total personnel of 18.

A \$5 million annual savings is small in these days when we are forced to think in terms of billions. But, in my opinion, \$5 million a year is well worth saving. If we could save \$5 million a year here, there and yonder, the cumulative effect would ultimately be very beneficial to the hard-pressed American taxpayers. I should like to pay my compliments to the small group of men in GSA who are in charge of this program and are making it work at a substantial saving to the American taxpayers.

Mr. Chairman, I would like now to turn to another subject that I do not believe is controversial either but which I am sure will be of interest to the Members. We handle in this subcommittee the appropriation for the National Science Foundation, an agency created by the Congress in 1950. The initial appropriation was \$450,000 and it is in this bill today for \$115 million, which indicates the tremendous increase in the

amount of Government support given to science and education through the National Science Foundation during the last few years.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. JONAS. I am glad to yield to the gentleman.

Mr. GROSS. Mr. Chairman, approximately a year ago I called the attention of the House to the fact that the British had entered into a contract with the Russians to build in Russia the biggest tire factory outside of the United States. Now I learn that the Department of Commerce has agreed to export—apparently the British do not know all of the ins and outs of building the kind of a tire factory the Russians want—the Department of Commerce of the United States has agreed to permit the export of technical data and expert individuals to aid in the construction of this plant. In other words, it is agreed to supply United States know-how for the construction of a huge tire plant in Russia.

Nothing in my book is more strategic than rubber. Armies move today on rubber. They have to move on rubber. And here we find the United States Government today joining in the construction of a tire plant that will increase, I am told, tire production in Russia approximately 30 percent. I wonder who is doing what to whom and why?

Mr. JONAS. I thank the gentleman. Now, Mr. Chairman and members of the committee, I wish to bring to your attention some very interesting and encouraging testimony given to our subcommittee by some of the eminent scientists who appeared in support of the budget request for the National Science Foundation. But first let us consider a little background material.

Last fall when Russia launched Sputnik No. 1, a wave of pessimism swept over our country. Politicians rushed to the microphones and to the mimeograph machines to vie with each other in lamenting the alleged deplorable quality of scientific knowledge and progress in this country. Many commentators, columnists, and editors joined in the chorus in an apparent effort to convince the American people that we were lagging far behind Russia in the field of science.

All of this dark and foreboding talk almost resulted in scaring the people to death. Scores of impracticable plans were proposed to help "backward" America catch up with "brilliant" Russia in science.

We do not hear much of that kind of talk today. Explorer and Vanguard of course had a great deal to do with the change of sentiment. But I also think that when the first embarrassment over sputnik wore off, and when the people had time to take a second and calmer look at the facts, they realized that we have not suddenly lost our scientific potential and that perhaps our educational system, with its traditional liberties and freedoms, should not be scrapped after all or supplanted by the regimented system education employed in the Soviet Union. I am not alarmed over the fact that Russia is turning out X number

more scientists than the United States. They have more people than we; they have more territory; they have more of many things. But I do not believe they have better brains.

I do not personally believe it would be worth while for our country to get into a race with Russia to see who can turn out more of anything. I would like to see our emphasis placed on quality instead of quantity.

I am quite sure we can improve the quality of our educational system, and I am all for that, but I do not believe the answer to the problem of how to do it lies in converting our public school system, which has traditionally been recognized as a local and community responsibility, to a Russian-type educational system which is supported and controlled by the central government.

The decision in the subcommittee to recommend \$115 million this year was unanimous. We are all interested in stimulating basic research and are also interested in improving the quality of our educational system from the elementary through the college and graduate school levels. I cannot speak for the other members of the committee but my own view is that we should be very careful not to let our enthusiasm for the support of science and education force or entice us into the position of allowing the Federal Government to dominate or control education in this country.

During our hearings on the National Science Foundation budget requests, the subcommittee had the privilege of hearing Dr. D. W. Bronk, chairman of the National Science Board, president of the National Academy of Sciences, and president of the Rockefeller Institute for Medical Research. Dr. Bronk gave the subcommittee some very encouraging comments concerning the quality of scientific knowledge and ability in this country. For the benefit of the Members who may or may not have an opportunity to read all of the testimony produced in the hearings, and for the record, I should like to quote a few of the statements made by Dr. Bronk. These will be found beginning on page 228 of part I of the hearings, and from that page I quote the following statements of Dr. Bronk:

I do not for a moment think that we are behind in all fields of science. I am sure that the Russians have people who are more competent than some of our scientists in some fields. That always has been so. Back in the twenties and thirties that was so in the field of neurophysiology and psychology. They had the great Pavlov. Every person looked up to him. There have been great mathematicians, but having said that I know perfectly well that we have a great many scientists in this country of great distinction.

And then after making some other comments along this same line, Dr. Bronk made this statement:

I am not prepared to say we are in a terrible state.

I should like to call your attention to some testimony given by Dr. Donald H. McLaughlin, president of Homestake Mining Co. for the last 13 years but prior to that an eminent scientist and

educator. His testimony will be found on page 232 of part I of the hearings, but I would like to quote the following brief excerpts from that testimony:

In the mining industry our usual procedure when we have a great new property and a great new ore deposit is to build a pilot mill. We do not go in and spend millions lightly without putting up a small mill to know how it runs. \* \* \* Since I have been out of science and have been trying to run a company, I am rather concerned, too, that when money is spent, that money will be spent most wisely. I think there is grave danger now in our present anxieties and concern and great desire to stimulate progress in science, that we may spend money unwisely. As serious a problem as the Russian sputnik is, inflation, and money spent unwisely, will increase the deficit and lead to inflation, which is just as great a danger to this country.

And Dr. A. A. Potter, dean emeritus of engineering, Purdue University, also a member of the National Science Board, gave the committee some encouraging testimony on the subject of our accomplishments in the world of science. He said that a few years ago he invited 100 mechanical engineers, 100 civil engineers, and 100 electrical engineers to compile a list of the 100 greatest inventions since 1776. He stated that he filled in the name of the inventor, the country of his birth or citizenship, and prepared an article based upon that study which was published by the American Society of Chemical Engineers under the title "Pride of America." Dean Potter furnished the committee with a copy of his article and it will be found on page 233 of the hearings, and is followed on page 236 by a list of 75 major United States inventions between 1793 and 1930—inventions that revolutionized the world.

I cannot take the time to read the list of 75 inventions but I would like to read into the RECORD as a part of my remarks the opening paragraphs of Dr. Potter's article:

The industrial progress of this country and the high standards of living of our people have usually been attributed to the abundance of our natural resources. Few, however, realize that the Americans, to a greater degree than any other people in the world, are responsible for most of the epoch-making inventions of the past century. Has any person in any other country given as great an impetus to mechanized agriculture as did Cyrus Hall McCormick in 1833, when he invented the reaper? Have any contributions equaled the pioneer inventions in the field of communication which were made by four Americans, Samuel F. B. Morse (first practical telegraph, 1832), Cyrus W. Field (first transatlantic cable, 1858), Thomas A. Edison (first quadruplex telegraph, 1874), and Alexander Graham Bell (first practical telephone, 1876)? In radio the names of Fessenden, Lee de Forest, Alexanderson, Armstrong, and Jenkins are a credit to our land. From the invention of the *Clermont* of Fulton in 1811 to the patent for the airplane by Wright in 1903 Americans have been major contributors to the field of transportation. Among these are Vail (the electric locomotive, 1851), Westinghouse (the air brake, 1869), Sprague (the trolley car, 1882), Duryea and Haynes (the first practical automobiles, 1885), and Sperry (the gyrocompass, 1905). Among American inventions are also included many new manufacturing processes, such as vulcanizing rubber, cracking gasoline, welding, and the manufacture of calcium carbide, aluminum, and plastics. The sewing machine, typewriter, talking machine, camera

for films and plates, adding machine, and many other devices which contribute to human comfort and effectiveness, are also the creations of American men of genius. The accompanying table lists 75 United States of America inventions between 1793 and 1930, an incomplete picture, but indicative of the contributions of American inventive genius during the past century.

Many of the great inventions by Americans were made by people between the ages of 21 and 40. Westinghouse invented the air brake when he was only 21, McCormick the harvester at the age of 22, Howe the sewing machine at 27, Colt the revolver at 28, Eli Whitney the cotton gin at 29, and Wilbur Wright the airplane at the age of 36. These youthful inventors of our young country and many others like them, whose creative genius has been responsible for converting our natural resources into great industries, are the true "pride of America."

#### INVENTIONS EXTEND GAINFUL EMPLOYMENT

Economic security for the people of this country was achieved in a large measure by inventions which have definitely extended gainful employment. Only 1 in 6 inventions has as its primary purpose the saving of labor; the other five-sixths of all inventions create employment, increase wages, increase wealth, decrease drudgery, improve working conditions, improve quality of product, and reduce the cost of goods. Even in 1940 14 million persons in this country were earning their livings in the manufacture, sale, and distribution of patented goods, and this number is much greater at present.

The testimony of Dr. Potter stimulated Dr. Roger Adams, research professor of the department of chemistry and chemical engineering at the University of Illinois, into compiling a list of important discoveries of science in our country in the last 10 years, which list he also furnished the subcommittee, and it appears on pages 237 and 238 of part I of the hearings. It is a most impressive list and completely demolishes any contention that we are slipping backward in the field of science. I commend that list to you.

I say with Dean Potter, and with the other scientists who testified before the committee, that we have every reason to be proud of the accomplishments of our citizens in the world of science. And I would point out that these accomplishments have been attained under our free-enterprise system, which has always rewarded initiative, ambition, resourcefulness, and foresight, and also under our traditional educational system which has been free from regimentation, control, and domination of the Central Government.

I know not how others may feel about it, but as for me I favor holding on to the things that have been found to be good. I favor adhering to the principles that have made this country great and will keep it great if we do not make the mistake of trading them off for a mess of pottage.

Mr. THOMAS. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, once again the Independent Offices Subcommittee of the House Appropriations Committee brings its bill to the floor. Ours is a bill which represents one of the most interesting and challenging assignments in Congress, because it covers such a broad variety of governmental activities.

When one considers the vast amount in appropriations requested; namely, \$6 billion, and the number and difference in the kinds of agencies represented, the fact that there was almost complete unanimity in our committee is quite remarkable. We have all the regulatory agencies such as Federal Power Commission. We have the Civil Service Commission. We have the General Services Administration with its many tentacles. We have the Housing and Home Finance Agency, that ever-burgeoning organization. We have the National Advisory Committee for Aeronautics, that very vital group which is so essential today as we stand on the threshold of the space age. The Selective Service System, the Renegotiation Board, the Veterans' Administration. All of these, presenting a myriad of different duties and responsibilities come to us with their problems and with their requests for funds. With all this, the differences in opinion among the committee are relatively minor.

In great measure, I think this real lack of controversy is attributable to the splendid caliber of the other members of our subcommittee, with whom it has been a distinct pleasure to work. Certainly, there is no more able, charming, or engaging person in this House than the genial gentleman from Texas, ALBERT THOMAS. He combines with his fine personal, friendly traits a mind of the highest intellectual quality and a spirit of conscientiousness which drives him to spend hour upon hour, day and night, poring over and analyzing the very intricate and detailed charts, figures, and tables which comprise appropriation justifications. This bill is the product of his capable touch. None of the other members of our subcommittee begin to possess the skill, the experience, or the knowledge of the gentleman from Texas. He is in a class by himself.

It was a pleasure, too, to work with the distinguished gentleman from Tennessee [Mr. EVINS], and the distinguished gentleman from Massachusetts [Mr. BOLAND], both thoroughly competent and conscientious Members whose wise counsel contributed greatly in fashioning the bill which is before you today.

On the minority side, our good friends CHARLES VURSELL, of Illinois; HAROLD OSTERTAG, of New York; and CHARLES JONAS, of North Carolina, worked hard, long, and capably during the many tiring hours of listening to witnesses and of committee deliberations. Theirs, too, was a vital part in assembling this measure.

It may be that there will be one major controversy over the decision of the committee to terminate the lease-purchase program which was passed some years ago by the Congress in a moment of weakness. It sounded good at the time. We are going to avoid direct appropriations and cut down the size of the budget, but the bill was a pig in a poke, for the taxpayers would have to pay twice as much for their properties under the lease-purchase program as they would under direct appropriation. If this program was an example of the

administration's economy in government—of Republican fiscal responsibility—I want no part of it and I am sure the American people want no part of it.

The Chairman of our subcommittee asked the General Services Administration to hold up entering into contract pending further action by the Congress. Did it do so? It did not. It has already entered into two contracts and I noticed an item in this morning's paper that it proposes to enter into many more.

And let's take a look at one of the contracts it entered into. A com-

municable diseases building in Atlanta, Ga. Listen to the figures on that building and then decide for yourself whether you want to vote to continue the lease-purchase program or to sustain the committee in terminating the program and providing for construction under direct appropriation. This is a comparison of what the cost on the communicable diseases project would be under direct appropriation and under lease purchase as prepared by the General Accounting Offices.

SCHEDULE B.—Estimated funds required for acquisition of communicable disease center project in Atlanta, Ga., under lease-purchase program and by direct appropriation

	Project acquired by—		Additional funds required under lease-purchase program
	Direct appropriation	4.97 percent lease-purchase contract	
Construction costs:			
Amount of construction contract.....	\$8,790,000	\$8,790,000	.....
Provision for contingencies.....	439,500	439,500	.....
Estimated interest during construction.....			\$432,210
Total estimated construction costs.....	9,229,500	9,661,710	432,210
Interest on purchase contract.....		7,267,265	7,267,265
Total payments under purchase contract.....		16,928,975	.....
Other costs payable by direct appropriation:			
Real estate taxes on buildings for 25 years.....		6,126,625	6,126,625
Design and other project costs.....	267,000	267,000	.....
Estimated funds required, exclusive of interest on appropriated funds.....	9,496,500	23,322,600	13,826,100
Interest at 3 percent on appropriated funds required to make foregoing payments.....	4,137,600	4,928,903	791,303
Total estimated funds required.....	13,634,100	28,251,503	14,617,403

I think the building should have been built under direct appropriations rather than under lease purchase. Let me show you why. Under the direct appropriation method, the construction cost for this project would have been \$9,229,500. Under the lease-purchase arrangement, the construction cost would have been \$9,661,710. But, then, when you add the funds for interest and you add the funds for taxes to this building, under the lease purchase, this is the comparison of cost: Whereas under direct appropriations you have costs of \$9,496,500 for the direct appropriation method of construction, under lease purchase the cost of that building would be \$23,322,600. The question comes to your mind, yes, but the Government will have to borrow money under direct appropriations and the cost of this borrowing should be added. That is true. Adding the cost of borrowing to the direct appropriation we add another \$4,137,000. But, in addition, the Government has to borrow money under lease purchase also. It has to borrow money to pay the interest that it would have to pay under the lease-purchase form, and the interest cost under this contract would have been \$4,928,000. So that actually the total amount of construction cost under direct appropriations for constructing this project in Atlanta, Ga., by direct appropriations would be \$13,634,100 and under lease purchase it would be \$28,251,503 or approximately \$14,500,000 more than it would cost under direct appropriations.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. JONAS. With respect to the last item of \$4,948,903 which is included as an estimate for interest, that would only apply in the event that we engage in deficit financing for the next 25 years; is that not so?

Mr. YATES. I do not know why deficit financing enters into this. This is the amount of borrowing that the United States Government would have to undertake in order to pay the interest under the lease-purchase contract over the life of the lease-purchase contract.

Mr. JONAS. I understand, but approximately \$5 million involved is included as an estimated amount that we will have to borrow over 25 years to pay the interest payments. If we do not have to borrow the money to do that, if we live within our means, within a balanced budget, that item would not have to be included.

Mr. YATES. If the gentleman wants to delete the item under lease-purchase cost, then I think we should also eliminate the interest item under the direct appropriation form, which is approximately \$4,100,000. If you eliminate one you must eliminate the other as well.

Mr. JONAS. I am not trying to eliminate anything. I am trying to see if we understand each other with respect to this item of \$5 million.

Mr. YATES. With respect to this item of \$5 million, I cannot see at this time why we should speak in terms of eliminating it, because it is an actual fore-

seeable cost. This schedule of accounts was not prepared by me nor by the committee. It was prepared by the General Accounting Office under what it believed to be a conservative presentation of a schedule of costs under both methods.

Mr. JONAS. But it would not have to be paid if we make the installment payments from year to year out of revenue.

Mr. YATES. If the action of the administration this year is any indication as to our future financing we will have to pay probably a greater sum in interest.

Mr. JONAS. This bill is certainly a help in that direction, because it is in excess of a half billion dollars over what the administration asked.

Mr. YATES. It is in excess, because the administration made its estimates of Government operations much too low. It knew it was presenting an unrealistic level and that its Congress would of necessity exceed its estimates.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. EVINS. I wanted to emphasize and to suggest that the figures which the gentleman gave are the figures of the General Accounting Office. And that the Comptroller General has indicated that the lease-purchase cost of these projects would be from 65 to 70 percent more than by direct appropriations.

Mr. YATES. I thank the gentleman.

So much for the lease purchase program. There will be more to say on it later, I am sure.

When the bill was in committee, I reserved on two appropriations because I thought that the agencies should have more funds. One was the National Science Foundation which is our bellwether in scientific advances in education and in basic research, received a cut of \$25 million from its budgetary request.

I first thought I would confine myself to two items in this bill. One was the appropriation for the National Advisory Committee on Aeronautics and the other was the appropriation for the National Science Foundation. The National Science Foundation, which is our bellwether to scientific advance and basic research, had received a cut of \$25 million from the amount which had been recommended by the Bureau of the Budget. But this does not tell the whole story, because this agency received an additional \$75 million over what it had received last year. It had received \$107 million for extension of its old existing programs and approximately \$8 million for undertaking new programs. I favor the expansion of the agency. I think it is one of the most important we have in the Government today. It has a fine governing board, it has a fine staff, and it has an excellent program. All the members of the committee have been satisfied with the work of this agency up to date.

Our committee had no intention of placing a halter on this agency's activities; \$75 million is a significant increase in its activities, and we have the feeling that this was just about as much as this new infant agency—it is only 7 years

old—just about as much as this growing agency could digest at this particular time. Perhaps the other body will take another look at it.

With respect to the National Advisory Committee on Aeronautics, I have no objection to what the subcommittee did. That was to limit the amount of new personnel to 500. I do not think we ought to place a limitation on the employment of scientific personnel by the National Advisory Committee on Aeronautics. The feeling in our committee was to the effect that it has 8,000 people now, and that that is enough.

I do not see anything magic in the figure 8,000; as a matter of fact, I would vote more money. I believe many people would feel more secure if we had 16,000 qualified people handling the affairs of the National Advisory Committee for Aeronautics, because this is the agency which goes hand in hand with the Air Force and the other branches of our Defense Department in maintaining our strength at this time.

A few months ago without one dissenting vote in this House we passed an appropriation for the Department of Defense of \$1,300,000,000. Why we should think in terms of holding this agency back, this agency which is as important as the Air Force in keeping us on the threshold of scientific advance, I do not know.

I hope the other body takes another look at this limitation.

The committee takes pride in its appropriation for the medical program of the Veterans' Administration. Once again we have the fine hand of the Bureau of the Budget trying to cut down on medical care for our veterans. Our committee refused to go along. We increased by \$3,365,000 the appropriation for inpatient care and we added \$5 million for the care of neuropsychiatric veterans. This was \$8,365,000 more than the budget estimate. The committee also allowed the sum of \$10,344,000 for medical research and \$1 million for prosthetic appliances. These were the full budget requests.

The action of the Bureau of the Budget in eliminating the Veterans' Administration request for extra funds for neuropsychiatric patients is difficult to comprehend. It is a cold and heartless superimposition of budgetary requirements over human needs. I invite your attention to our hearings commencing on page 578, where I questioned Dr. Middleton, the Medical Director of the Veterans' Administration, and asked him about the need for the funds. Dr. Middleton said:

My medical opinion is that this rate—

Referring to the rate of recovery—

would be accelerated appreciably.

Mr. YATES. Appreciably?

Dr. MIDDLETON. Yes, sir.

Mr. EVINS. The doctor referred to these boys in the back wards, the men in the forgotten wards. Do you think that those boys—those veterans—with more attention and money and care could be rehabilitated and restored to the community, or restored sooner?

Dr. MIDDLETON. I know it.

Mr. EVINS. You know it?

Dr. MIDDLETON. Yes, sir.

Mr. EVINS. In other words, the Budget Bureau is becoming an expert on the care you give patients?

Dr. MIDDLETON. No, they are not.

Mr. YATES. Did you make the same representation to the Bureau of the Budget that you have just made to us?

Dr. MIDDLETON. I did, emphatically.

Mr. YATES. You did emphatically?

Dr. MIDDLETON. I did emphatically.

Sixty percent of the Veterans' Administration patients are mental health patients. The committee hopes that with the appropriation of the additional funds, the rate of rehabilitation of many of the veterans will be increased and that many will be enabled to return to their loved ones much sooner.

Mr. Chairman, some mention should be made, too, of the way in which this administration takes care of its own. Take a look at pages 338 and 340 of the hearings and read about how Hanna Coal and Ore Corp. entered the nickel field with contracts for mining, smelting, and sales. Extracts of the contracts appear on page 340.

And then read the hearings following on page 341 about the Freeport Sulphur Contract and the fact that the Office of Defense Mobilization overruled the recommendation of Administrator Floete in entering into a contract with Bethlehem Steel Co., but established requirements under which Freeport Sulphur Co. became the only company that could qualify. Under the contract the Government committed itself 271 million pounds of nickel at a price of 74 cents a pound—in other words, to take all the nickel that Freeport could not sell on the open market, thereby assuring complete disposal of Freeport's production until 1965.

The only justification for such contracts in the past has been the pressure of war and the need for expansion. No such reasons were present at the time this contract was entered into; the Government met its long-term stockpile objectives for nickel.

Take a look at the hearings on page 31, where I stated to Administrator Floete:

They—the Government—could have gotten that through a Government loan or Government guaranty without an incentive-type contract, which would have been cheaper for the Government, wouldn't it?

And Mr. Floete replied:

We recommended it.

On page 12 Mr. Floete states that he thought the deal with Bethlehem was a good deal and he recommended it by letter to the Office of Defense Mobilization, but it was turned down on a policy basis:

That the Government would not loan money for that purpose nor guarantee such a loan.

Again on page 13 I asked Mr. Floete: "So you entered into a contract which was more expensive to the Government, did you not?" to which Mr. Floete replied:

We didn't like it as well as the other but we had only one person to deal with, Freeport.

And now the Government is committed to buy all of Freeport's output—271 million pounds for the next 6 years.

Mr. SEELY-BROWN. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield.

Mr. SEELY-BROWN. Before the gentleman goes too far in another subject, I wonder if he would mind returning for a moment to his comments about the National Science Foundation. I am sure the gentleman and all of us are in agreement that we need to increase activities in this field. Does the gentleman feel that the funds recommended by the Bureau of the Budget and the funds contained in this appropriation will enable them to carry out the work of the National Science Foundation in the way we wish them to?

Mr. YATES. I do. When Dr. Waterman appeared before our committee he said there was included in his request \$107 million to carry on existing programs and another \$1 million for supplemental work. The National Science Foundation's request has been recommended in full and its programs will be carried on in an expanded way.

Mr. SEELY-BROWN. There will be no curtailment of their program?

Mr. YATES. No.

Mr. BOLAND. Mr. Chairman, if the gentlemen will yield, I think the gentleman from Connecticut will be interested in knowing that there has been an increase from \$9 million last year to \$30 million this year.

Mr. YATES. Finally, Mr. Chairman, I should like to talk about the Federal Power Commission and the Natural Gas Act. The Natural Gas Act of 1938 provided for regulation of the natural gas companies. This includes regulation of natural gas producers who sell their gas in interstate commerce at wholesale rates. The purpose of the act was to protect consumers from exorbitant charges, and the Federal Power Commission was given the duty to administer the act and to carry out the purpose of assuring just and reasonable rates for the natural gas companies.

Believing as I do in the necessity of the act and in its purposes in protecting the consumers against extortionist rates, certainly I would favor an adequate appropriation. Ordinarily I would object to the reduction of \$385,000 in the budget estimate for the Commission; but, after listening to the testimony of the Chairman of the Federal Power Commission, I will not try to restore the funds. Why? Because I believe the Federal Power Commission is opposed to enforcing the Natural Gas Act. It does not even try. Its efforts are not even half-hearted.

When I asked Mr. Kuykendall, Chairman of the Commission, whether he had enough money, he said:

Even if you give us all the money we wanted, we couldn't hire enough qualified people.

I interrupted. I asked him how much money he needed to carry out the purposes of the act. On page 892, I said:

If the Congress grants you this amount of money, the Commission will then have all the funds it needs to carry out its functions as well as it can?

And Mr. Kuykendall replied:

Yes; I think so. Our work still won't be carried out satisfactorily. I mean I would

like to get all caught up in the fiscal year, but we cannot do it. It is obvious.

And then I asked:

Why can't you?

Mr. Kuykendall replied:

Because we cannot get enough people competent to do the work.

Is this the attitude of a Commission anxious to carry out its legal responsibilities? Of course not. The Commission just does not want the responsibility. It favors passage of the Natural Gas Act which would relieve the Commission of having to regulate the natural gas industry.

It has been said that the present Natural Gas Act is unworkable for the regulation of the natural gas industry. Mr. Chairman, I submit that it has not been given a fair test. Only a Commission whose members are interested in seeking to carry out the purposes of the act can give it a fair test. This Commission does not want to regulate the natural gas industry. It wants to kill the Natural Gas Act. For that reason I will not try to restore the funds deleted by the committee from the Commission's budget request.

The fault clearly lies at the doorstep of this administration. It is about time that the consumers of the country realize that this administration, too, favors passage of the Harris-O'Hara bill, passage of which will destroy effective regulation of the natural gas industry. The actions of the Commission are merely a reflection of the administration's views and we shall not get a commission anxious to protect the public interest until we get a change of heart on the part of the administration or a change of administration.

Mr. Speaker, I include in my remarks two important articles which deal with the work of the subcommittee, one from Aviation Week for February 3, 1958, entitled "NACA, The Logical Space Agency"; the other from the American Legion magazine for December 1957 dealing with the research program for the VA entitled "Medical Research on a Mammoth Scale":

[From Aviation Week of February 3, 1958]

NACA, THE LOGICAL SPACE AGENCY

(By Robert Hotz)

Too often in recent history, the solution to acute national problems has been sought in the creation of complex new organizations that add to the Federal payroll and bureaucracy but do little about the problems they were created to solve. Often, an economical and effective solution lies close at hand, but is so simple the top-level officials hesitate to even consider it. The current debate over how many and what kinds of organizations the Federal Government needs to organize and guide research and exploration of space appears to be a case in point.

There is no lack of complex plans to tackle our space-age problems. In the midst of this furor it is finally becoming clear that there is in existence an extremely competent organization capable of spearheading this work—the National Advisory Committee for Aeronautics established by the President in 1915 with the directive to "supervise and direct the scientific study of the problems of flight with a view toward their practical solution."

Credit for first calling attention to this simple but effective solution, we believe, belongs to Gen. Orval Cook, president of the

Aircraft Industries Association, who told the Institute of Aeronautical Sciences in Washington on January 14:

"One of the things that has most puzzled me during this furor and clamor for Government reorganization so that we can catch up with the Russians has been the fact that NACA has apparently been largely overlooked. Yet here is a Government agency reporting directly to the President which has as its basic charter 'the scientific study of the problems of flight with a view toward their practical solution.'"

"For more than 40 years NACA has dedicated itself to this task with outstanding success. The NACA has some of the finest aeronautical laboratories in the world—its facilities alone being worth more than \$300 million, and an operating staff of some 7,600 people of whom more than 2,000 have professional degrees.

"For more than 10 years it has been conducting research and studies in scientific fields leading to man's conquest of space. In fact early in 1952, months before the first manned flight at Mach 2, NACA studies were launched into the problem of manned flight beyond the atmosphere and their solution. By 1954, NACA research teams were able to propose construction of a research vehicle for this purpose and in December 1955, in cooperation with the Navy and Air Force, a contract for this craft (North American X-15) was let. This vehicle is expected to be test flown within the next 12 months or so.

"NACA also pioneered in research that will pay off in manned boost-glide rockets flying at fantastic speeds and with a new concept that will enable our ballistic missiles to withstand sun-hot temperatures during reentry into the atmosphere.

"At the same time these projects were under way, the NACA has been investigating almost every element in the propulsion spectrum. Research is being conducted in propulsion by ion jets, photon jets, plasma jets, by nuclear rockets, and by solar power. Much more than mere theory is involved—practical experimentation is being conducted and detailed performance parameters are being developed. All of this research is directed toward one goal—flight, manned and unmanned, at incredible speeds through and beyond the earth's atmosphere. All of this vital basic research information is being funneled to the military services and the aviation industry to assist them in development of vehicles to translate this research into reality.

"If, as so many people are advocating, we need a governmental agency to take the responsibility for accelerating our efforts in space travel, I suggest we look to an existing organization such as the NACA to provide this direction."

We heartily endorse General Cook's suggestion and strongly urge members of Congress concerned with this problem, Defense Secretary McElroy and the public—which will eventually have to pay the bills—to carefully consider this relatively simple but effective solution of a most acute national problem.

There are several additional considerations, in addition to those cited by General Cook, that make the NACA role as the spearhead of our national space research and development effort extremely attractive.

First, it has, through 40 years of experience, established an extremely effective working relationship with all of the other basic organizations concerned with this problem—the military services, the scientific fraternity and the industrial complexes. Through its main and subcommittee structure, it provides adequate voice for all of these elements in determining a national policy.

Second, the caliber of its leadership evokes universal respect from the other agencies through which it works. There is no better man in the Nation today than James Harold

Doolittle, NACA chairman, to serve as a link between the military, scientific, and industrial communities because he has had outstandingly successful careers in all three areas. The scientific leadership of Dr. Hugh L. Dryden, director of NACA, is based on a combination of solid scientific achievement and quiet but effective administrative ability, all too rare in scientific circles.

Third, NACA has proven its ability in the past to contribute significantly to urgent national technical problems. It developed the laminar flow wing in time to permit the P-51 Mustang to escort heavy bombers to any German target at the critical phase of World War II. Its high speed research aircraft program was an outstanding postwar example of joint work with the military and industry to produce maximum progress in minimum time and launch our military aircraft into the supersonic age a significant jump ahead of all competitors. Its work in ballistic missiles has also solved key bottlenecks in time to be useful in operational weapons.

Fourth, NACA has shown extraordinary ingenuity in devising new research tools required for tackling the unknown. The transonic wind tunnel, rocket powered models, gas dynamic facilities and multistage research rockets are a few examples of this ability which is absolutely essential in probing new frontiers fruitfully.

It is a major technical fallacy to consider aeronautics as a field that extends to the limits of the earth's atmosphere and astronautics as something that begins where the atmosphere ends. Both are integral parts of the same overall scientific problem. Any successful efforts in making the useful plunge into outer space must be based on the foundation of knowledge already accumulated on flight through the atmosphere from sea level to its outer fringes. Any space vehicle must also successfully pass through the envelope of atmosphere both on its outward and return journeys.

There is a strong case to be made for charging NACA with the job of spearheading our national advance into space with a minimum of time and new money required to achieve the strong possibility of maximum progress. If NACA gets the job, our jump into space will be catapulted from a solid launching pad.

[From American Legion magazine of December 1957]

#### MEDICAL RESEARCH ON A MAMMOTH SCALE (By Tom Mahoney)

Forty rabbits are smoking a pack of cigarettes daily at the Veterans' Administration hospital in Dallas. What happens to them may add to our knowledge of the connection, if any, of smoking and cancer. In 41 hospitals, ranging from Brockton, Mass., to Los Angeles, physicians are making a cooperative study of the tranquilizing drugs, chlorpromazine and promazine, as compared to phenobarbital and placebos on 1,000 neuropsychiatric patients. Using a new total body radioactivity counter, the first in any hospital, Boston researchers study blood circulation, digestion and other bodily functions with the aid of radioisotopes.

These are just a few of the 5,251 projects now being pursued under the Veterans' Administration's \$10 million a year medical research program. While designed primarily to meet the present and future medical needs of veterans, the result will benefit all Americans and, indirectly, mankind in general. This already has been demonstrated in the fields of tuberculosis, mental illness, and atomic medicine.

Seventy-four leading medical schools cooperate in the program, and it has attracted to the VA hospitals many research-minded physicians and surgeons of first rank because of the opportunities to pursue their special

interests. The VA education and training program, which includes residencies and has included clinical investigators since last year, is an important factor in graduate training of physicians and has been especially successful in qualifying general practitioners as badly needed psychiatrists. Deans of the medical schools and other medical leaders serve on VA advisory committees.

Actually much more is involved in the program than the \$10 million figure indicates. Except for a few administrators and trainees, the salaries of all 4,600 full-time medical doctors in the program are paid out of the regular hospital and outpatient budget of the Veterans' Administration. In addition, support for some projects is received from the National Cancer Institute, the American Cancer Society, Atomic Energy Commission, Damon Runyon Memorial Fund for Cancer Research, and other organizations. Pharmaceutical companies also help by furnishing free great quantities of new drugs, often specially packaged.

Still the amount involved is less than 2 percent of the whole VA medical and hospital budget and is not large in comparison with some other research budgets. The American Cyanamid Co. in 1956, for example, spent \$22 million. Standard Oil of New Jersey spends \$35 million. The Department of Agriculture has spent comparable amounts researching farm pests.

But the program is the greatest in the world as far as the number and variety of patients, records, modern equipment, and general resources are concerned. While the average hospital has fleeting contact with a few thousand or maybe only a few hundred patients a year, the average daily number of VA patients is more than 112,000. They suffer from nearly every ailment known to man. There are dozens of cases of maladies so rare that doctors never see them in ordinary practice. The rolls even show a few cases of service-connected leprosy contracted during duty in the Philippines.

On most patients there are medical records dating back to enlistment. Moreover, for certain statistical studies researchers can draw on the records of the more than 22 million veterans now listed in the Government files. These include, for example, 22,000 pairs of identical twins, favorite subjects for genetic study today by many investigators.

When patients die in VA hospitals, their families usually consent to an autopsy in the hope that something may be learned that will help another veteran. The autopsy rate has increased since 1946, when it was 34 percent of all deaths in VA hospitals, to 72 percent during fiscal year 1957, when 22,156 autopsies were performed. At many VA hospitals the rate is 85 percent or higher. Autopsy findings benefit mankind in general, and medical men consider a hospital's percentage of autopsies an important clue to its standing as a research center.

The varied locations of the 173 VA hospitals—ranging from Seattle and Walla Walla, Wash., to Coral Gables, Fla., and San Juan, P. R.—make possible research on diseases peculiar to many regions and climates. The San Juan hospital, affiliated with the University of Puerto Rico, and the New Orleans hospital, associated with Tulane and Louisiana State, investigate tropical diseases. At San Juan, for example, Dr. R. Rodriguez-Molina and others are studying schistosomiasis, a serious snail-borne disease which certain immigrants are bringing to New York.

This vast program is the direct result of a chain of events started by the American Legion's famous resolution No. 528, calling for reorganization of VA medical service, adopted at the national convention in Milwaukee in 1941. At that time the VA research budget was \$10,000 or less a year. There was a single researcher who produced

statistical studies on subjects like the number of veterans gassed in World War I who developed tuberculosis. Many VA hospitals were located in out-of-the-way places, had no connections with medical schools, and civil-service limitations kept salaries of VA physicians low.

If the medical needs of the veterans of another war were to be met, Watson B. Miller, director of the Legion National Rehabilitation Commission 1923-41, and other Legion leaders recognized all this had to be changed.

Legion National Commander Lynn Stambaugh and later national commanders urged reforms both to Congress and the VA. The advantages of locating hospitals in medical centers, of affiliating them with medical schools, and of research were spelled out by a Legion medical advisory board headed originally by Dr. Leonard G. Rowntree, of Philadelphia, and including Drs. Charles W. Mayo and Waltman Walters, of the Mayo Clinic. In Washington T. O. Kraabel, who became director of the National Rehabilitation Commission in 1941, Dr. Hyman D. Shapiro, the senior medical consultant, and others of the permanent Legion staff pressed for these measures at countless hearings and conferences.

Most were achieved and the medical research program was born when President Truman appointed Gen. Omar N. Bradley VA Administrator in 1945 and he brought with him as the first VA Chief Medical Director, Maj. Gen. Paul R. Hawley, who had been chief surgeon in the European theater. General Bradley's successors, Carl Raymond Gray, Jr., and Harvey V. Higley, and General Hawley's successors, Dr. Paul B. Magnuson, Adm. Joel T. Boone, and Dr. William S. Middleton, all have enlarged the medical research program. Projects have increased from 100 to 5,251. Appropriations have grown from \$1,393,697 in 1947, to \$5,700,000 in 1956, and \$10 million in 1957. VA researchers now contribute more than 900 articles every year to scientific journals.

Dr. Middleton, now Chief Medical Director, is "a doctor's doctor." He often makes the rounds of the wards at Mount Alto, the Washington VA hospital, and is a frequent contributor to medical journals. He was previously dean for 20 years of the University of Wisconsin Medical School. He served overseas in both wars and is a member of the William B. Cairns, Victory No. 57 Post of the American Legion in Madison.

Except during service as president of the American College of Physicians, Dr. Middleton has been connected with VA in some capacity ever since he became a consultant in 1922. He was a member of the consultant group named by General Hawley and was a member of the VA advisory committee on education when named Chief Medical Director in 1954. The first major increases in the VA research budget have come under him.

He believes the encouragement and motivation of patients is as important as treatment of their physical ills. "The life stream of VA medicine," he often says "is research and education." He considers research and education the only insurance against mediocre medicine.

Assistant Chief Medical Director for Research and Education is Dr. John D. Barnwell, who for its first decade headed VA's research in tuberculosis, a disease from which he suffered himself as a young man. He was for years a professor at the University of Michigan Medical School. Directly in charge of the VA education program, which has 2,500 doctors in graduate training, is Dr. John C. Nunemaker, formerly chief of medicine at a VA hospital, and a veteran of war service in the Middle East. Immediately in charge of the medical research program is Dr. Martin M. Cummings, who came to the central office from a research post at a VA hospital. He

is coauthor of a book on diagnostic and experimental methods in tuberculosis.

Dr. W. Edward Chamberlain heads the atomic medicine program as special assistant to Dr. Middleton and also is Associate Director of the VA research service. Dr. Chamberlain was professor of radiology at Temple University and director of its hospital's department of radiology for 17 years until joining the VA this year as successor to Dr. George M. Lyon who launched the radioisotope study program in 1947.

Drs. Magnuson, Middleton and Barnwell were all students at the University of Pennsylvania and did their first research in the surgical laboratories of Dr. Ted Sweet. This won election to Sigma Xi for the first two and the local Mary Ellis Bell Medal for the last. Such is the influence of research teaching upon succeeding generations—a succession of purpose and know-how that Drs. Nunemaker, Cummings, and Chamberlain are trying to perpetuate throughout the VA.

In addition to heavy administrative duties, Dr. Cummings is personally interested in finding the cause of sarcoidosis, a mysterious disease which simulates tuberculosis. As maps on his office wall show all cases of it originating in pine tree areas, he believes something from these trees, possibly pine pollen, is responsible. Five VA hospitals in pine areas are studying it.

Study of the chemotherapy of tuberculosis is the oldest VA cooperative medical research project. A writer in the *Journal of the American Medical Association* has termed this outstanding \* \* \* a noteworthy accomplishment unsurpassed the world over. Led by Dr. Barnwell, his successor, Dr. W. B. Tucker, and the late Dr. Arthur Walker, this has involved the testing of nine new drugs and combinations of them with 27,000 patients in 60 hospitals in probably the most extensive clinical field trials in the history of medical research. Army, Navy, and Air Force hospitals cooperated.

Initial studies in 1946-49 showed tubercle bacilli became resistant to streptomycin. Trials in 1949-51 showed streptomycin in combination with PAS (para-aminosalicylic acid) better than either drug alone. Beginning in 1952 isoniazid was tested in combination with streptomycin and PAS, the latter combination giving better results than any so far. Since 1954 viomycin, terramycin, pyrazinamide, cycloserine and streptovaricin have been tested with varying results.

The reasonable safety of all these drugs had been established before being given to VA patients. "The VA is not, and should not be, in a position to make the first clinical trial of a new drug," explains Dr. Barnwell. "Once a new drug has been tried, however, and has been shown to have some promise of effectiveness without undue toxicity, the VA is peculiarly, and perhaps uniquely, fitted to conduct a large-scale investigation of its effectiveness and the best regimen for its administration." In his book on tuberculosis, Dr. Saul Solomon says VA clinicians are "of the highest caliber."

Success of the program has speeded treatment, reduced the number of patients, and saved \$38 million. The death rate after 8 months of treatment has dropped from 5 percent in 1946 to 1 percent at present. Results have been given to the world in the transactions of the annual conferences, coordinated by Dr. Edward Dunner, which are attended by authorities on tuberculosis from all over the world. Dr. Barnwell received the Trudeau Medal for 1950.

A recent study at the Baltimore VA hospital showed rabbits can be given tuberculosis by placing them in air circulated from the rooms of tuberculosis patients. When the contaminated air was sterilized by ultraviolet lamps, the rabbits did not develop the disease. Use of such lamps will reduce further the chances of VA employees

contracting tuberculosis from patients. A similar study to determine whether ultraviolet light protects against the Asiatic influenza virus is underway at the Livermore, Calif., VA hospital.

Eight VA hospitals are studying effects of tranquilizing drugs on tuberculosis patients who also are psychotic. Studies of three fungus diseases which affect the lungs similarly to tuberculosis were started in several hospitals in 1957. These are histoplasmosis, coccidioidomycosis, and blastomycosis. They apparently are caused by inhaling fungi from contaminated soil, and the VA has more than 500 cases.

Isoniazid, the tuberculosis drug, at one time appeared promising in multiple sclerosis, but a cooperative study by several VA hospitals showed this to be sadly untrue. But this interested VA researchers in the baffling malady. They are studying the records of 2,000 veterans with it. As it is rare in the tropics, geography may be a factor.

The current total of 5,251 VA research projects is an increase of 1,200 over the previous fiscal year. Of the total, 1,533 are studies related to the problems of aging. In this classification are 300 studies of cancer, 429 studies of heart and blood-pressure problems, 573 studies of lung maladies, and 231 other geriatric studies. There are currently 1,068 projects in mental and nervous diseases, 1,995 studies of general medical and surgical problems, 560 studies using radioisotopes, and 95 dental-research projects.

As care of 60,833 neuropsychiatric patients in VA hospitals cost more than \$238 million in 1957 and some 16,000 veterans with such disorders are awaiting admission, studies in this field have a high priority. The National Science Foundation reports more than half of all Government research projects in mental health is now entrusted to the VA. Dr. Jesse F. Casey is Director of its Psychiatry and Neurology Service. Dr. Ivan F. Bennett is chief of its research program which currently has a budget of \$1,238,000.

The 41-hospital study of the tranquilizing drugs has been mentioned. All forms and combinations of therapy, however, are being studied. Already, a combination of drug and group therapy largely has replaced electric shock, insulin shock, and hydrotherapy in VA hospitals. The lobotomy operation, surgery of the brain, as a treatment for schizophrenia, is less used following a seven-hospital study.

Use of the new tranquilizing drugs in the treatment of neuropsychiatric patients has increased the discharge rate of these patients 40 percent in 3 years.

Development of a chemical test for schizophrenia is the goal of one of the most fascinating current research projects. Most promising is the ceruloplasmin test using a dye which changes color in the bloodstream of schizophrenics. It is an outgrowth of the work of Dr. Robert G. Heath, at Tulane, who found that taraxein, a protein substance extracted from the blood of schizophrenics, and injected into monkeys and convict volunteers caused them to develop symptoms of the condition.

This suggests that schizophrenia, the most serious of mental diseases, despite its variety, may be a single chemical-caused disease entity. Such a test would be of tremendous value not only in diagnosing the disease but in determining when a patient is cured of it. This work is in progress at VA hospitals in Bedford and Brockton, Mass.; Topeka, Kans.; Omaha, Nebr.; Coatesville and Pittsburgh, Pa.; Hines, Ill.; and Gulfport, Miss.

At the same time, VA research also pursues the psychiatric approach. A study of schizophrenic patients of two nationalities in New York by Dr. Marvin K. Opler, for example, was published recently by the *Scientific American*. He reported that "Each \* \* \* bears the imprint of the underlying family experience and pattern of stress. This

sort of research cannot fail to improve our understanding and treatment of schizophrenic disorders, particularly if it is supplemented by studies of the organic or physiological effects accompanying each type of personality imbalance."

Many projects have the aim of giving more freedom and a more normal life to psychiatric patients past the acute stage to speed their recovery and discharge. "In other words," says Dr. Casey, "we are trying to make the mental hospital a therapeutic community that will prepare recovering patients for the life they will lead outside the hospital."

A motivation unit, directed by Dr. W. R. Coutant, staff psychiatrist, is the heart of a pilot program in this direction underway at the VA hospital in St. Cloud, Minn. It involves a ward with 80 patients selected from the entire hospital, and a foster home program under which 55 patients live outside the hospital on a trial basis. Only about 10 percent of those in foster homes have had to return to the hospital, and in 2 years since the motivation unit was established the number of discharges has risen from less than 300 to 600 a year.

This is also true of several other VA hospitals. Dr. Earl P. Brannon, manager of the neuropsychiatric hospital at Coatesville, Pa., for example, reports that some patients who have spent more than 10 years in hospitals, fighting severe mental illness, now are back on their feet, again supporting families and doing well at their jobs.

One of the VA's greatest contributions to the country's medical resources is the now 5-year-old career residency program for recruiting general practitioners into psychiatry. This is another Legion-stimulated program. In effect, the VA makes up the difference in pay for an experienced practitioner while he is qualifying in this much-needed specialty. This allows a practitioner with 6 years' experience to earn \$9,000 a year instead of around \$3,600. In return, he agrees to serve a minimum of 2 years in a VA hospital where his services are most needed upon completion of his training.

"Thousands of mentally ill veterans are receiving high quality psychiatric care today because of this program," says Mike Gorman, executive director of the National Committee Against Mental Illness and author of *Every Other Bed*, a 1956 book which terms mental illness "America's No. 1 health problem."

So excellent is VA work in this field that its doctors frequently are offered higher paying posts in State and private institutions. Dr. Stewart T. Ginsberg, for example, resigned as chief of the VA central office psychiatry division last May to become commissioner of Mental Health for the State of Indiana.

This is a problem to some degree in many VA departments. While salaries of VA physicians now are much higher than before World War II, increases have not kept pace with the rising earnings of physicians in private practice. Nor can VA physicians earn by sparetime practice or teaching. In 1955 the average VA physician earned slightly more than \$11,000, while figures of *Medical Economics*, a medical publication, showed average earnings of more than \$18,000 for physicians in private practice. A Legion-backed effort to raise VA professional salaries failed in the last session of Congress.

The opportunities and variety of the research program, however, attract many high-caliber investigators to the hospitals. Merely to list in the most abbreviated form all of the current VA medical research projects requires a 946-page Government document. This is literally an order of battle against all the unknowns of medicine and surgery.

Five blind veterans regained their sight last year with corneal transplants from an

eye bank at the Hines, Ill., VA hospital. Many projects are directed toward the future day when there may be banks of other parts of the human body which can be utilized as needed. At the Houston, Tex., VA hospital Dr. George L. Jordan, Jr., recently successfully transplanted four parathyroid glands of a stillborn baby to a 36-year-old veteran. In a rare operation at the Cleveland VA hospital a veteran's prostatic duct was changed to conduct saliva to his eye instead of his mouth to keep his eye from drying to blindness.

At the West Haven, Conn., VA hospital surgeons have successfully used synthetic materials such as nylon, dacron, and orlon for correcting defects in major blood vessels. They also are exploring the freezing of whole blood as a method of storage and have been able to transplant white blood cells from other animals to grow in animals previously unable to grow their own. At the Nashville, Tenn., VA hospital surgeons discovered a principle which is basic to heart-lung devices and, utilizing it, developed a simple pump-oxygenator which makes possible bloodless surgery on the heart by rapidly providing oxygen to blood of the entire body without action of either the heart or the lungs. They also have developed a simple plastic device for insertion into the heart to substitute for damaged or useless heart valves.

Ten hospitals are making a collective study of high blood pressure to determine which type of patient responds to drug therapy and which, under various circumstances, is the drug of choice. Sixteen hospitals are studying special diets and anticoagulant therapy in patients who have had heart attacks or strokes.

A minute instrument for measuring the blood pressure in the veins has been perfected at the Durham, N. C., VA hospital as an aid in the study of cardiovascular disorders. Investigators at this hospital are preserving large arteries in solution and have found them to remain visible for many months. Artery banks for use in the repair of damaged vessels are becoming an important reality.

At the VA hospital, Hines, Ill., an electrocardiograph using transistors has been devised which is as small as the usual instrument for measuring blood pressure and can be carried as conveniently. They also have developed a portable cardiac monitor which warns the surgeons when heart action becomes abnormal during an operation. At the New York VA hospital, Dr. John T. Farrar conceived a device of capsule size, since perfected by the Radio Corporation of America, which will broadcast the pressure changes in the intestinal tract electronically. It is the world's smallest FM radio broadcasting station; the signal travels 1 foot. This will enable physicians to localize lesions and identify disease processes without disturbing the patient.

At the VA hospital in Ann Arbor, Mich., surgeons have successfully used irradiated bone grafts taken from normal animals for the repair of defects in bone structure of other animals. This may make it possible to develop bone banks for clinical use in treating fractures and other diseases of the bone. VA researchers have transplanted teeth buds in animals.

A study of the psychology of suicide is being conducted by Drs. Edwin S. Shneidman and Norman L. Farberow, of the Los Angeles VA hospital. They are studying suicide notes, case histories, and other data on suicides and attempted suicides in the Los Angeles area for the last decade with the hope of evolving clues for the prevention of self-destruction. Some of their work has been published in a 1957 book, *Clues to Suicide*.

The VA naturally has a large part in the current national program to solve the mystery of cancer. Questionnaires on the sub-

ject of smoking were sent out to holders of United States Government Life Insurance. In cooperation with the National Cancer Institute, American Cancer Society, and other organizations, 29 VA hospitals are participating in cooperative studies of chemotherapy of selected types of cancer. Among chemicals being tested are thiotepea, TEM, nitrogen mustard, radiophosphorus, and radiogold. Under VA leadership the use of radioactive iodine for treatment of certain thyroid cancers has become routine.

At the Bronx, N. Y., VA hospital, Dr. Ludwik Gross may have achieved a significant breakthrough in cancer research by discovering that certain forms of leukemia and cancer in experimental animals are produced by a virus which is transmitted from parent to offspring. He also has demonstrated that leukemia can be produced experimentally by total body radiation, showing that the dormant virus causing the leukemia can be stimulated into activity by extensive exposure to X-ray. His work has been supported in part by the Damon Runyon memorial fund.

What about those cigarette-smoking rabbits in the Dallas VA hospitals? The United States Public Health Service is sharing part of the cost of this 5-year project which is in charge of Dr. Robert H. Holland. He explains rabbits react to certain lung conditions more like humans than do rats, mice, or other laboratory animals. The rabbits are X-rayed every 6 months, and after death their lungs and respiratory tracts are examined and the findings filed.

The rabbits spend 3 out of each 24 hours in plastic "smoking boxes" designed by Dr. Holland and R. A. Huffhines, a Dallas electronics expert. When a rabbit is placed in a box, a lighted cigarette is set 2 centimeters from its nose. The animals get fresh air at all times, but when electric timing devices and solenoid switches close an aperture the rabbits also get a puff of smoke. "Most of the rabbits," says Dr. Holland, "seem to enjoy smoking."

Mr. VURSELL. Mr. Chairman, I yield 15 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, at the outset I want to join my colleague, the gentleman from North Carolina [Mr. JONAS] who serves with me as a minority member of the committee, in paying tribute to our distinguished chairman, the gentleman from Texas [Mr. THOMAS]. I am sure that you are all aware of the great devotion our chairman gives to the work of this committee and I say without fear of contradiction that the gentleman from Texas [Mr. THOMAS] is better informed as to the functions and operations of the agencies coming under the independent offices appropriation than anyone else in the Congress of the United States. He does a magnificent job of guiding the work of this committee and it is a pleasure to serve under him and with him. But I do want to take this opportunity to join with the gentleman from North Carolina [Mr. JONAS] in disavowing any knowledge as to the language in the report; like others, I did not participate in writing it or the opportunity of reviewing it before being printed. I too, disagree with some of the language in this report, although I think it is fair to say by and large everything in the bill and the action of the committee was more or less unanimous with the exception of 2 or possibly 3 major items.

Much has been said about a number of activities covered under the inde-

pendent offices appropriation bill. I should like to call your attention to the fact that this bill carries an appropriation of about \$6½ billion and it covers the financing of some 16 independent agencies. I believe you should know that. This bill is about \$1,159,000,000 more than a similar bill of last year and it is \$627 million more than the budget request or the budget estimate.

May I call your attention to where the major increases appear in this bill. First, and foremost, there is included in this \$589 million a contribution to the civil service retirement fund although not included in the budget request. I repeat, this \$589 million was not requested or approved by the budget.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from Wisconsin.

Mr. WITHROW. I have here a report for 1956. I am very much interested in this matter. In that report I find that the interest has been going up all of the time, with the exception of 1955 when it was \$234 million plus. In 1956 it was \$211 million plus, notwithstanding the fact that the balance was almost \$500 million more than in 1956. There was a substantial reduction in interest.

Mr. OSTERTAG. May I say to the gentleman that interest is being paid on the money borrowed from the fund by the Federal Government. That is paid out of appropriations for such purposes and I believe the interest figure for this year amounts to \$214 million. This amount is paid directly to the fund.

Mr. WITHROW. I know, but I cannot understand why there should be less interest when there is \$500 million more of a balance in the fund.

Mr. OSTERTAG. I am not sure I understand the gentleman's point.

Mr. WITHROW. All right. For fiscal 1955 the fund earned \$230 million plus. There was a balance at that time of \$6,193,000,000. For fiscal 1956 it fell off to \$211 million, notwithstanding the fact that there was a balance of \$6,708,000,000, almost \$500 million more.

Mr. OSTERTAG. I think I can say this to the gentleman, that whatever money is borrowed from the fund, the Government pays interest; in other words, interest is going into the fund each year. It would depend on how much the obligation is for interest that determines the amount to be paid.

Mr. WITHROW. Then the possible difference is due to the fact that all of this balance was not used by the Federal Government, or less of the balance, rather?

Mr. OSTERTAG. There is \$7.5 billion in the fund right now.

May I point out that the substantial increase in this budget of \$627 million is due principally to committee action in adding of \$589 million for the Civil Service retirement fund, \$177 million to finance construction of buildings by direct appropriations which is a transfer of the projects under the lease-purchase method, \$25 million for repair of buildings. And, I might point out to you that there is no controversy over that question. I think we are all agreed that the added

\$25 million is a reasonable amount to maintain and repair and put into proper order the Government buildings throughout the country, \$18 million additional funds was added for sites, and \$8.3 million for inpatient care of veteran patients and \$10 million more for VA hospital construction. In all, there are increases totaling some \$825 million as made by the committee, while at the same time we reduced or cut the budget in major points such as this:

First, the general supply fund was reduced \$15 million; strategic and critical materials under GSA was cut \$70 million; National Science Foundation, \$25 million; National Advisory Committee for Aeronautics \$5.6 million; veterans' compensation was reduced some \$32 million, veterans' readjustment benefit \$17 million, or a total of about \$165 million was cut or reduced from the budget request by the committee.

Now, what are some of these major items and what are some of the particular problems that we might discuss at this point? First of all, Civil Defense. The committee provided \$38 million for Civil Defense, which is \$1 million less than the amount appropriated in 1958, but it is also \$3.5 million less than the budget request for this year. There is a reduction of \$1 million in operating expenses. However, I would like to call your attention to the fact that \$18 million was approved for emergency supplies which goes with the inventory of some \$219 million worth of emergency supplies for civil defense, including \$12 million for reworking stored blood plasma.

The disaster relief fund was not disturbed in any way. By that I mean no moneys have been added to the disaster relief fund and no request was made for additional funds. You might be interested to know that the disaster relief fund has a balance of about \$18 million as we go into the next fiscal year.

Perhaps I should say a word in regard to the Veterans' Administration appropriation because, as you well know, that appropriation including veterans' benefits amounts to the bulk of this appropriation bill. As a matter of fact, the total appropriation for the Veterans' Administration amounts to \$4.932 billion out of the total of \$6.5 billion provided in this bill. And I should like to pause to pay tribute to the new Administrator. Sumner Whittier, of Massachusetts, was recently appointed by the President as the Administrator of Veterans' Administration, and I am confident that he is going to do an outstanding job. He is well aware of the veterans' problems. He is a veteran himself. I am sure he is going to serve in this important post with distinction and credit to himself, to the veteran, and to the Federal Government.

In connection with the veterans' appropriation I might point out that this budget represents a \$266 million increase over that in 1958. You might be interested to note that \$715 million is appropriated for inpatient care which is \$8 million over the budget request and \$13½ million more than the appropriation made last year. This will provide, and I am sure we are all agreed it is

desirable and necessary, additional beds for our veterans and more particularly improved care for mental patients.

With reference to veteran compensation and pensions, \$3.2 billion is provided in this bill. Out of a total of \$6½ billion for some 16 independent agencies over \$3 billion is provided and made available for compensation and pensions. There is a reduction of \$32 million in compensation and pensions from the budget request but I do want to point out that we must meet this obligation with funds no matter what the amount may be.

This is a statutory obligation and whatever the benefits amount to during the year we must pay them. It is just a matter of estimating the amount that will be spent.

Mr. Chairman, as we go into the next fiscal year it is estimated there will be somewhere between \$15 million and \$25 million in carryover funds. In readjustment benefits \$700 million is appropriated with a reduction of \$17.9 million. As you know, this money is made available for the trainee program and because of the fact that there will be a drop in number from 540,000 to 460,000 in the number of Korean veterans eligible to this training, this cut in the budget seems to be a reasonable estimate. You will be interested to know that the committee has added \$10 million for hospital construction. That means we are putting that much more into construction and repair even though there is \$144 million in unobligated carryover funds.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentlewoman.

Mrs. ROGERS of Massachusetts. I understand there is a cut in the amount for compensation and benefits in this bill. Every year they have not allowed enough for those benefits and have had to come back for more money.

Mr. OSTERTAG. As I explained, and I am sure the gentlewoman from Massachusetts will remember, I pointed out that there is a reduction of \$32 million. But there will be a carryover of from \$15 million to \$25 million plus the \$3.2 billion in new money which is being made available in this bill.

So the \$32 million is a small amount compared with the overall amount, and whatever is required will and must be made available. We must make that available by virtue of law. It is just a matter of estimating the amount the VA will actually use.

Mrs. ROGERS of Massachusetts. Almost every year the Veterans' Administration does not have enough money to pay its bills and compensation.

Mr. OSTERTAG. And always supplemental appropriations have made up the difference.

Mrs. ROGERS of Massachusetts. Yes, but it is a very bad habit.

Mr. OSTERTAG. Now, referring to the question of the civil service retirement fund, I should like to call attention to this particular fact: First of all, there is \$7½ billion in the retirement fund today. Not only this bill but every

appropriation bill we pass carries with it direct contributions to the retirement fund for all of the employees covered within the specific appropriation bill, so that when all of the appropriation bills have been passed this year some \$624 million will have been appropriated by the Federal Government as its share to meet the retirement benefits of those covered.

In addition, the employees themselves will have contributed about \$624 million. The direct appropriation of \$624 million plus the employees' contribution of \$624 million, plus the \$214 million which will be paid into the fund for interest, means that approximately \$1,500,000,000 will be paid into the retirement fund this year.

In connection with that, it might well be asked how much will be drawn, how much in the form of benefits will be paid. According to the Civil Service Commission, and the figures I have at hand, approximately \$802 million, will be drawn in benefits or in pensions. Consequently, if you reduce the contribution that is going into the fund this year of \$1,500,000,000 by subtracting \$802 million you will have a balance this year of \$660 million. In other words, upward to \$700 million more will be paid into the retirement fund than will be drawn out during this year. This amount would be over and above the \$589 million provided in this bill.

The Civil Service Commission has also informed us that the fund will grow to more than \$13 billion between now and 1972. At that point I think it is fair to say that disbursements will begin to exceed the income. So if we appropriate this \$589 million we are just adding that much more to the fund to be borrowed again by the Government. By raising this budget \$600 million for this purpose we are without a doubt throwing this budget out of balance. And bear in mind that this particular bill is making available over \$600 million more than the budget requested.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from Illinois.

Mr. MASON. This amount you are proposing to put into the fund this year is what we have kept out of the fund in past years, and is due the fund because the Congress has not paid its share. Is that the reason?

Mr. OSTERTAG. You could put it that way, yes.

Mr. MASON. I want to know. That is the way I have been told, that that is the reason.

Mr. OSTERTAG. I would say this, that much more than the \$589 million might be appropriated to the fund in order to make it actuarially sound and have the money in the till to meet all ultimate obligations. On the other hand, the fund is just as sound as the Federal Government itself.

Mr. THOMAS. Mr. Chairman, I yield myself 1 minute.

May I call attention of the House to page 5 of the committee report. There is an item there that the General Services Administration called about this morning. It called our attention to a

typographical error they had made in preparing a list. The last item on that list is Dallas, Tex., and it has \$15,-137,000 in that column. It ought to be \$22,040,000. We ask that the report be corrected in conformity with the figures of the General Services Administration.

Mr. Chairman, I yield 15 minutes to our beloved friend from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, I want to associate myself with the statements of the majority of the Committee on Appropriations which has urged you to accept the independent offices appropriations bill of 1959 as reported by the full Committee on Appropriations.

Let me begin by commending the distinguished gentleman from Texas [Mr. THOMAS], the able chairman of our Subcommittee on Independent Offices Appropriations, for the excellent statement he has made in presenting the committee's recommendations. I want also to commend our chairman for his very able leadership of our subcommittee in conducting hearings on this bill. He is, as we all realize—not only genial—but able and always eminently fair to everyone.

It has been a genuine pleasure to be associated with ALBERT THOMAS on this subcommittee. It has also been a pleasure to work with the distinguished gentleman from Illinois [Mr. VURSELL], the ranking minority member, and all the other members of the subcommittee, my colleagues Congressmen YATES, BOLAND, OSTERTAG, and JONAS.

Our subcommittee has devoted many weeks to hearings on the fund needs of these agencies and given thorough consideration to the appropriation requests of the 17 agencies composing the category of our bureaus and commissions referred to as our independent agencies. The bill, as reported, represents the best judgment of the subcommittee, based on a very complete review of the recommendations submitted in the budget. The hearings comprise 2 volumes of some 1,335 pages of testimony and exhibits.

It reflects the committee's concern that these important agencies should have all the funds they need to discharge their duties efficiently; but it also reflects the realization that the taxpayers' money in these critical times must be employed in such a way that the most important problem and objective of our Government are met first.

The bill, although one of our bigger appropriations bills, is nevertheless a good one.

The committee has made reductions in many items, and the total of such reductions is in excess of \$200 million.

Appropriations recommended in the bill total \$6,549,920,900, which is an increase over the budget estimates of \$627,577,400. These increases are largely represented by increased contributions to the retirement fund of the Civil Service Commission, the Veterans' Administration, and to accelerate the post-office construction program of the General Services Administration.

I shall certainly not attempt to discuss many of the items in the pending

bill—there are so many agencies involved and the various agencies have numerous programs. I believe there are some 18 boards, bureaus, commissions, and independent agencies that come before our subcommittee each year for their annual budget review and fund needs. Among these agencies are included the Civil Service Commission, the Interstate Commerce Commission, the Federal Trade Commission, the Securities and Exchange Commission, the Federal Power Commission, the Federal Communications Commission, the Civil Aeronautics Administration, the National Science Foundation, the Veterans' Administration, the General Accounting Office, and the General Services Administration, among others.

These agencies are all arms of the Congress and have vital and important roles to play in carrying out the mandates of the Congress and in serving the public interest.

During the limited time allowed to me, I want to direct my remarks to the programs of three agencies, in which we are all particularly interested at this time.

First, the National Science Foundation.

We all recognize the importance of the National Science Foundation at this time. This agency is tremendously important in endeavoring to reawaken America in the rocket and missile age, the space age, age of science in which we live and in carrying forward various programs of scholarships, fellowships, grants, to colleges and universities for advancing basic science and scientific research generally. The fund needs of this agency has been increasing annually, and we will all recall that specifically the President in his State of the Union message this year, singled out the National Science Foundation and called for a doubling of the national budget for the National Science Foundation. The President rightly was reflecting the public concern for our lack in science, and particularly made apparent, following the launching of the Soviet satellites in October of last year. I wish that our system of congressional review of budgets were such that all the Members of the House and all the Members of the Congress could have heard testimony before our committee this year from the various distinguished and outstanding scientist and educators who composed the board of directors of the National Science Foundation. The testimony was most enlightening, and in fact, awakening of our needs.

Mr. Chairman, I am, with the indulgence of the Members, going to attempt to review briefly some of the statements of a few of the educators and scientists who came before our committee.

Dr. Bronk, the principal official of the National Science Board called for acceleration of our efforts in the field of education and science and while pointing out that America has some great scientists and that we have made a great advancements in science, nevertheless, he recognizes our need for acceleration and for a new self-analysis—for the setting of our own goals and for maturity rather

than our Nation waiting to be driven and to be awakened by the activities and programs of other countries. Dr. Bronk testified:

I do not for a moment think that we are behind in all fields of science; I am sure that the Russians have people who are more competent than some of our scientists in some fields. Back in the twenties and thirties that was so in the field of neurophysiology—they had the great Pavlov; every person looked up to him. They have had great mathematicians, but, having said that, I know perfectly well that we have a great many scientists in this country of great distinction.

Dr. Bronk pointed out the number of Nobel prizewinners awarded to America in the past 20 years as evidence of our significant advances in science. He points out that a number of these were Americans. Others have come to our country from other countries. They chose America instead of Russia. Dr. Bronk called for a tremendous improvement and for a continual need for improvement in science and education by individuals, educators, institutions, and our Nation. Certainly the Rockefeller Foundation and the National Research Council have made numerous grants and financial contributions to fellowships in the advancement of science, but the work of the National Science Foundation has stimulated American thinking and American action in the field of science. The Government's role of leadership is both important and significant.

Dr. Gould, another Board member, gave credit to the work of our colleges and private scientific research institutions, but also stressed the need for the Government to participate and for the Government to lead. One of the greatest students of American democracy has pointed out that the crucial test of our democracy will be in its recognition of the superior individual. Dr. Gould told the committee that we should educate all of our citizens to their capacity—whatever capacity an individual can stand. He pointed out that the percentage of our population who have the competence to become great physicists and mathematicians is relatively small. We have to do a better job of recognizing those people who do have competence and encouraging them, and this, he said, should begin in the secondary school level.

A brilliant young man might want to be a scientist but if he arrives at college and does not have a good background in physics and mathematics, it is frequently too late and time is wasted. Dr. Gould likewise pointed out while there is great need for urgency and acceleration, he stated that our problems will not be solved by crash programs. We have a long, tough road ahead of us, but he added, "I have the impression that the pendulum is swinging." I think we are taking a more realistic attitude toward education—we are beginning to focus upon the ends of education as important, one of which is discipline, something which has been left out and which is now needed. The educators and scientists stressed the importance of intensified training in the grade schools and high school level. We are told that we must

improve our teacher-training programs in the elementary level and to improve these programs all the way through the higher level of education so that our students will be better educated and broadened when they start university work.

Dr. Adams, another Board member, in commenting upon the Russians' educational system, stated that there are 428,000 freshmen in colleges this year in the Soviet Union and that every one of these 428,000 spent more than 1 month in taking examinations in various subjects and were extensively screened before being admitted to college. After they are admitted to the universities, they seldom fail—they have very, very few drop-outs because they are carefully screened. Not only are the science and mathematic courses stressed but there are thousands of more Russians studying English than there are Americans studying the Russian language. Their training is intensive 6 days a week, 60 to 65 hours.

Pointing out that a National Science Academy has been proposed for our country, it was the opinion of Dr. Adams and others that what is needed is not a new academy but intensive and concentration courses provided at our numerous colleges and universities throughout the country. We only have a limited number of science teachers and if an academy were to be established, the instructors and staff would, of necessity, have to be taken away from our present universities. In calling for full appropriations for the work of the Science Foundation, Dr. Adams and others pointed to the long road, the big job ahead, and said that not only in the field of physics and mathematics but in other areas of science we must take every step and do everything that we can do to intensify and accelerate our educational programs.

Another witness before our subcommittee testified:

What we need is a new look because science has moved so fast in the last few years that the children need to know more when they get to college than ever before. We have to do something about new courses, new ways of teaching, new curriculums of every kind in elementary schools and high schools—that means an enormous amount of experimentation, trying out new methods, what can the children learn more quickly, and are the methods we are using today the best. Can't these children who see so much television at home and know so much about science when they arrive at school go faster than our second, third, and fourth grades let them go? There is an awfully lot of work to be done to see how each group of children can be brought along—that means somebody has to study new methods and the Foundation has a very strong program on that.

Dr. McLaughlin, a noted American scientist, commended the National Science Foundation as an excellent pilot mill. He particularly stressed the importance of teacher-training programs and the teacher-training institutions fostered and sponsored by the foundation.

Concerning fellowship and scholarship grants provided by the foundation, I feel that it should be pointed out that the testimony discloses that at the present time only about 19 percent of the requests received can be accommodated.

The budget of the foundation for this year, the present fiscal year, permits the agency to support only 19 percent of their request in this field. The bill before the committee would supply funds for only about 40 percent of their request. The goal of the NSF is to be able to supply 75 percent of this request for scholarships and fellowships.

The long-range objective of the foundation is to help our country get ahead in this very important field of developing scientists and in broadening and increasing education in our own country. I feel that the increase in funds provided at this time is adequate and as much as the foundation can reasonably and efficiently use at present.

Mr. Chairman, the overall budget for the Veterans' Administration for next year is \$5,922,343,500. This is a large sum of money, but we all recognize that the Veterans' Administration is one of the largest service agencies of our Government. It should also be pointed out that the budget for the VA has been cut and reduced from year to year for the past several years. The budget for all VA programs, immediately after the war, was in excess of \$9 billion. It has been cut from 9 to 8, 7, 6, 5 and now to a level of about \$5 billion.

There are two items of particular interest in the VA budget which has been previously mentioned. First, the item for inpatient care. For 1958 the VA had \$79 million for providing medical care and service to the disabled veterans in our numerous veterans hospitals. For next year, 1959, the VA requested of the Bureau of the Budget, \$87,298,000 and this item was cut by \$15,700,000. In other words, they had \$79 million in 1958, for 1959 they ask \$87,298,000 and the Bureau of the Budget cut \$15,700,000 from their request for inpatient care for veteran needs. The testimony on this item before the committee is very voluminous. A number of hospitals or beds would have to be eliminated should the budget cuts stand. We were told that the VA needs an additional \$5 million for inpatient care of veterans in general medical and surgical and tuberculosis hospitals, and an additional \$6½ million to care for NP or mental patients. The committee in its wisdom has restored these funds. I am sure the Members of the Congress and the country do not wish the Veterans' Administration to provide second class medical care for the veterans of this Nation.

Dr. Middleton, chief medical officer, under questioning admitted that the cutbacks in the VA budget were directed by the Bureau of the Budget. I asked Dr. Middleton whether or not in his opinion it would be fair to say that there has been a slowdown in the inpatient care program and his answer was "Yes." He called for a higher level of financial support for our mentally disabled veterans, veterans in our NP hospitals equal to that of our general medical and surgical hospitals.

There is a direct relation between the amount of money spent for the care of these patients and the rate of recovery and their return to society as rehabilitated citizens. I quote from page 572 of

the hearings, giving Dr. Middleton's testimony:

The time has arrived when, if we were going forward instead of backward, we would have to have staffing that would bring patients from the back wards, that is forgotten patients who were in some of the wards, the burned out patients. This term "burned out," gentlemen, is anathema to many. I think in modern days when a physician says there is no longer hope for a mental patient, he is losing sight of the advances that have been made. The number of patients who have made satisfactory improvement for return to society, resocialized, rehabilitated, is advancing steadily.

At another point Dr. Middleton pointed out that we have 16,000 veterans on the waiting list for admission to NP hospitals. While it is true that the number of TB patients are declining, the number of NP patients are increasing.

At page 578 the following testimony appears:

Mr. EVINS. Doctor, you referred to those patients in the back wards—the men in the forgotten wards—Do you think those veterans with more attention, care and money could be rehabilitated or restored to society? or restored sooner?

Dr. MIDDLETON. I know it.

Mr. EVINS. You know it?

Dr. MIDDLETON. Yes, sir.

I am sure that the Budget Bureau is not an expert on the type and kind of medical care that should be provided the veterans of this Nation. I prefer to take the testimony and expert knowledge of our medical officers of the VA and I am sure that the Congress wants to do everything possible to see that these medically disabled veterans are given the proper care and attention and rehabilitated and restored to society.

I think, Mr. Chairman, that members of the American Legion and Veterans of Foreign Wars who appeared before our Committee best expressed the sentiments of the Congress and the people of this country when they strongly protested against what these men term the "dollar worshiping" concept of the Budget Bureau as contrasted with the "humanitarian" concept of veterans medical care authorized by the Congress.

I trust that any amendment offered to reduce this item for medical care will be resoundly defeated.

The second item in the VA budget which was drastically cut by the Budget Bureau was the item for hospital construction and the hospital modernization program.

Last year the Congress appropriated \$44,500,000 for this purpose. For 1959, the VA requested of the Bureau of the Budget \$44,528,000. However, the Budget Bureau cut this item by \$35,383,000 or an 80 percent cut. The Budget Bureau recommended only \$9,145,000 for some construction and modernization of a \$2 billion investment in the veterans hospitals of this country. Of course, it has been pointed out or will be pointed out that there was a carryover of some \$50 million of funds of prior years, however, the VA feels, and I believe the country feels, that at this time the Nation should take a long step in the direction of building such hospital requirements as the Nation needs and also in improving and

modernizing our hospitals, many of which are outmoded and in need of modernization and repair. The level of the construction program as approved by the Budget Bureau, even with the carryover, would be \$15 million less than the amount available for construction in 1958.

I am sure that we are all aware that some of these veteran construction projects have been approved for too many years and postponed long enough. Instead of \$9,045,000 recommended by the Bureau of the Budget, its testimony indicates that the Veterans' Administration could use \$192,121,000 to complete the approved projects.

The \$10 million added to the bill above the budget is intended for the completion of the construction of two hospitals in the Veterans' Administration construction and renovation program; namely, hospitals in Nashville, Tenn., and Jackson, Miss. Funds have previously been appropriated for these projects, but increased costs due to materials, labor, and site location have necessitated an increased appropriation to complete these two hospitals.

As pointed out in the committee report, the committee will expect the VA to proceed with more speed and dispatch in its hospital construction and renovation program. I repeat, it seems that now is the correct time to take a long step forward in abating the frustrating delays the VA has encountered in carrying out its construction program.

I personally have deep resentment when the Bureau of the Budget can circumvent the will of Congress, not only with respect to items of medical care and hospitals for the veterans of this Nation, but other actions of Congress as well.

The committee is recommending \$19,145,000 for funding additional hospital construction and repair in 1959. This is \$10 million in excess of the budget estimates, but \$23,355,000 less than the appropriation for this purpose for this year. This amount will not take care of all of the approved projects and all of the needs, but the amount carried in the bill certainly should be approved. It will help speed the hospital construction program—long delayed—and serve to provide better facilities for veteran needs—while at the same time provide employment and a stimulus to our economy at a time when our Nation can well afford to make these expenditures.

The third item—big item—in the bill on which I wish to speak briefly is the money carried in this bill for direct appropriation or construction of post offices or Federal buildings by the General Services Administration.

A great deal has already been said—or will be said about the inefficiency or lack of progress of the so-called lease-purchase program. I for one do not think that it has succeeded as the Congress intended. I believe that Administrator Floete, of the General Services Administration, Public Buildings Commissioner McConihe, and members of their staffs have endeavored to do a good job and to render a real service in this field. However, as we all know the GSA has

been handicapped by a multiplicity of redtape with which this program has become involved. In addition, the Bureau of the Budget has failed to approve projects that are needed and have approved others that were not perhaps as meritorious as some that the Members of Congress might prefer.

Mr. ROGERS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Colorado.

Mr. ROGERS of Colorado. The gentleman just made reference to construction of public building projects by direct appropriation. On page 2 of the report it is pointed out that \$177,255,000 is to be used in the construction of 66 public buildings. Further along in the paragraph reference is made to 14 other authorized projects outside of the District of Columbia which the administrator said cannot be placed under construction in 1959 even if funds were appropriated. On page 5 is a list of those 14 projects. My question has reference to one at Denver, Colo., involving a courthouse costing \$17,390,000. Is it true that the Administrator of the General Services Administration will be given \$18 million for the purchase of sites and to draw plans for that building?

Mr. EVINS. I may say to the gentleman it was the wish and intention of the committee that ample funds be provided in the bill for construction of all these projects. The \$38 million appropriation to which the gentleman refers is for acquisition of sites and for plans for the 14 additional projects which the GSA said they were not prepared at present to start constructing. So the answer to the gentleman's question is "Yes."

Mr. ROGERS of Colorado. I thank the gentleman.

Mr. EVINS. There is only one building built by the GSA under this lease-purchase program at Rock Island, Ill. There are 3 others under construction, 1 in Kansas City, Kans., 1 at Council Bluffs, Iowa, and 1 other construction. There are 3 under way in a period of some 4 or 5 years. I believe the Congress has felt this program has not been effective, therefore they did not renew the program or extend the legislation, but since the projects have advanced as they have the Committee on Appropriations approved the money for the completion of the 66 projects carried in this bill. I think that the Budget Bureau has been responsible for a crippling delay in its action and at this time when there is need for employment, when there is need for efficiency in Government, the program should go forward.

Although, as we know, the Lease-Purchase Act was not renewed by the Congress. I trust that these projects will be built under one of these plans promptly. There is some urgency to get these buildings constructed. There has been only one building constructed to date—only one post office and Federal building—built under the lease-purchase plan. There are three other projects approved and under construction, namely, Kansas City, Kans., Council Bluffs, Iowa, and Albuquerque, N. Mex.—besides the one that has been built and completed at

Rock Island, Ill. As the plan has operated—cumbersome and with redtape, we have not actually leased any buildings, but only leased the money to build these very limited few buildings and the Government has been paying rent on that money which would increase the total cost of the building to the taxpayers from 65 to 70 percent.

Mr. Chairman, let me review how the present so-called lease-purchase program actually works. First, the Post Office Department and the General Services Administration do the entire job of planning the buildings. Secondly, when the Post Office Department approves construction of a specific post office and the GSA has the estimate of the cost, the GSA invites bids for financing the cost of the public building—I repeat, the bids are for financing the cost. Bids are received largely from insurance companies and the rates of interest proposed have been so high that many bids have been rejected. Until recent months, all interest rates have been in excess of 4¾ percent or more. The latest bids received in the past 2 weeks were about 4½ percent. The GSA then invites bids for construction and awards such bids as are acceptable. The GSA also supervises the construction and will be responsible for the construction. Mr. Chairman, the only thing the investor does is to loan the money. The Government, through the GSA, does everything else just exactly as it would do if the building were constructed with appropriated funds. There are two principal differences—under lease-purchase we have to pay at least a 1-percent point more for the money to build the building and, secondly, the Government must pay local taxes for a period of from 10 to 25 years. There is a fiction that the Government owns the building. The Government does not own the building or acquire the title to it until after a period of from 10 to 25 years—a 10-year period for amortization of small projects and 25 years for the amortization of higher cost public buildings. By direct appropriations, the money could be borrowed at the going rate of interest for Government bonds from 3 to 3½ percent—and possibly even less—thus, a saving of 25 percent in interest cost plus taxes. As the buildings would be Federal property, they would not be subject to Federal taxes—thus, representing a further savings.

Besides the increased cost under the lease-purchase, I think the Congress and the country are disappointed with the redtape and delays involved. Because of the delays and because of the inabilities for this program to move forward and to provide the modern and needed and essential post office facilities which are required, the committee has recommended in this bill a total of \$177,225,000 for the construction of 66 public buildings by direct appropriations. These projects have been approved by the Public Works Committees of the Congress. At pages 1258–1259 and 1260, volume II of the hearings, will be found a statement of the Comptroller General and inclusive of the record of the full report of the analysis of the cost of the construction of these

96 projects under the lease-purchase plan and by direct appropriation. The GAO study relates to the 96 projects approved by GSA. However, as indicated the committee is recommending funds only for 66 projects. Projects in the District of Columbia have been deferred and other projects are not advanced far enough to proceed with construction at this time. However, the GAO study with respect to the 96 projects is applicable to all projects which have been approved to date—the same principal of increased cost applies to the 66 projects for which funds are recommended in this bill.

In brief, the total cost of the 96 projects, according to the GAO would be \$1,772,555,000 at a 4½-percent interest rate and a total of \$1,842,442,000 at a 5-percent interest rate charge. By contrast, by direct appropriation the total cost of the 96 projects will be reduced by \$762,562,000 and it would be \$692,675,000 under the 4½-percent interest rate contracts. In other words, it will cost the taxpayers 70 percent more to build these buildings under the lease-purchase plan. This includes the payments of taxes over the 10 to 25 year period which would represent a cost of \$251,682,000.

In other words, Mr. Chairman, the additional cost on a 5-percent interest charge would be \$762 million plus. In other words, these 96 projects will cost the American taxpayer in excess of three-quarter billion dollars more if constructed under the lease-purchase plan than by direct appropriation.

The committee accordingly, very wisely and in the interest of economy, has directed that these approved projects be built by direct appropriation and the money is carried in this bill. I repeat, that these projects which have been long delayed and are much needed for efficiency of the Post Office Department should now go forward. This is the time when there is a recognized need for the providing of employment and the work will assist in our declining economy.

In conclusion, I want to ask the pardon of the committee for my trespassing upon so much of your time, but I felt that with this big bill there are three programs of special appeal and especial importance at this time; namely, the program of the National Science Foundation, Veterans' Administration, and the General Services Administration, worthy of some further detailed discussion.

Mr. Chairman this is a good bill—it is a well-considered bill, and I urge its adoption.

Mr. VURSELL. Mr. Chairman, I yield such time as she may desire to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON. Mr. Chairman, we in northern Ohio feel that there has been unpardonable delay in the construction of the 2 VA hospitals authorized by the Congress ten or more years ago.

May I call the attention of the House to a statement on page 16 of the committee's report on H. R. 11574:

The committee cannot understand why it is taking so long to make any progress with the hospital renovation program. It certainly has not been due to lack of funds. The unobligated balance of construction funds at the present time is \$144 million. It will be \$105 million at the beginning of

fiscal year 1959. The committee will expect an increased number of projects to proceed into construction without delay and will review the situation further next year.

There are 2 proposed VA hospitals in northern Ohio in which I have had a deep interest over a period of years. One is a 1,000-bed neuropsychiatric hospital to be constructed at Brecksville, Ohio; the other is an 800-bed general medical and surgical hospital at Wade Park in Cleveland.

The Brecksville neuropsychiatric hospital was authorized by Congress in the 1948 new hospital program and funds were appropriated in 1953. The Wade Park hospital was also authorized in 1948, but no money was forthcoming until 1956 when \$1,056,786 was appropriated for plans, technical services, and so forth. Neither of these 2 hospitals have progressed very much. The VA recently informed me that plans for the neuropsychiatric hospital will not be completed until October and that bids for construction will not be let until some time after that. On the other hand, the VA does not plan to request construction money for the Wade Park hospital until next year.

Cleveland has responsibility for 715,000 veterans in northern Ohio. Something over 1,900 veterans in that area are awaiting admittance to the neuropsychiatric hospital, and the Wade Park hospital is to replace a VA hospital which is old and the constant repairs costly.

I urge the committee to follow through and do everything possible to get these urgently needed hospitals under construction.

Mr. BALDWIN. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON. I yield to the gentleman from California.

Mr. BALDWIN. I would like to join the gentlewoman in her remarks and to express likewise the thought that there should be steps taken by the Veterans' Administration to speed up this hospital construction program.

(Mrs. BOLTON asked and was given permission to revise and extend her remarks.)

Mr. VURSELL. Mr. Chairman, I yield myself 20 minutes.

(Mr. VURSELL asked and was given permission to revise and extend his remarks.)

Mr. VURSELL. Mr. Chairman, when we brought out this bill to the House a year ago, the independent offices appropriation bill, we were rather optimistic because we had defeated a piece of legislation that should never have been passed. It carried \$50 million in that bill and ultimately would have cost the Government 10 times \$50 million and put us into the indemnity insurance business with a sure loss probably running to \$5 billion. The most optimistic report I can give you today is that the defeat was so sound there was no request for funds to implement the legislation in this budget. Today our report cannot be quite as optimistic as it was a year ago because a year ago we also came in with a substantial reduction of millions of dollars under the budget.

Our report today is not too optimistic. While in most of the hundreds of items we were able to make some reductions, which total \$200,042,600, which is a considerable amount; however appropriations recommended in the bill as a whole show an increase over the budget request of \$627,577,400, or \$1,159,988,100 over 1958 appropriations.

The total recommended in the bill is \$6,549,920,900. Several large items written into the bill are responsible for increasing the amount over the budget request.

The largest item is \$589 million to the civil-service retirement fund. One new item is \$177,255,000 to finance construction of 66 public building projects by direct appropriations rather than to continue them under the lease-purchase contract method.

Since some Members have placed great emphasis on the necessity of this bill providing for an increase to the civil-service retirement fund of \$589 million, and have referred to the fund as in a bankrupt condition, I want to meet that charge with facts which I believe will prove to the Members of the House that such statements are not justified by the facts.

My first witness is the Director of the Bureau of the Budget, and at this point may I read to you a statement which I received from Mr. Stans, the Director:

STATEMENT ON CIVIL SERVICE RETIREMENT FUND RECEIVED FROM BUREAU OF THE BUDGET

This proposal to appropriate \$589 million to the civil-service retirement fund would increase Federal budget expenditures unnecessarily in what appears to be an attempt to convert a perfectly good actuarial and cost-accounting estimate relating to 1 or 2 aspects of financing the retirement system into added appropriations which will either increase the public debt or add to the burden placed on today's taxpayers.

This proposed \$589 million appropriation is unnecessary, because we are already appropriating funds for retirement purposes to the agencies, and as interest on the public debt, which funds find their way into the retirement fund. We are including about \$650 million in 1959 appropriations to the agencies which will be paid over by them as their contributions to the retirement fund. And we are including about \$214 million in the appropriation for interest on the public debt, as the amount to be paid upon the approximately \$7.5 billion balance in the fund, and this amount will in turn become interest income to the retirement fund. Thus we are already appropriating about \$864 million to the retirement fund over and above the approximately \$650 million which the employees will pay, as their retirement deductions. Since it is estimated that disbursements from the fund in 1959 will be paid at the rate of about \$802 million. This means that the fund in that year will receive income of about \$722 million over its disbursements.

This condition of an excess of receipts over disbursements, will continue, it is estimated, until about 1972, 14 years, and by that time the fund will be about double what it is today, or about \$13 billion.

It is obviously desirable that the Civil Service Commission keep accurate accounts, and report annually its estimates of income and expenditures, and of future requirements based on various assumptions. However, these abstract estimates should not be converted into added appropriations.

To imply that because it is not fully funded, the retirement fund is being somehow mismanaged and that it is bankrupt is to call into question the full faith and credit of the United States Government. The Retirement Act promises to make certain payments under specified conditions, and regardless of the size of the balance in the retirement fund at any particular time, these benefits will be paid because the promise to do so is backed by the full faith and credit of the Government. There are no conditions attached. It is a perfectly open and straightforward obligation.

While these are very strong reasons for full funding of private pension plans, these reasons do not apply in the case of the Civil Service Retirement System. The most important reason for full funding of private plans is to assure employees that they will receive the benefits they have earned even though the employer may go out of business. We have never thought it necessary to make provisions for the Federal Government going out of business.

#### FACTS ABOUT CIVIL SERVICE RETIREMENT FUND

Let me summarize this factual statement from the Bureau of the Budget, which summary will clearly show that the \$589 million added to this bill is not necessary to the solvency of the fund; can only increase the Federal debt, and serve no worthy purpose.

For the fiscal year 1959 there are three automatic sources of income going into the fund without the additional appropriation of \$589 million proposed, as follows: \$650 million from the employees; \$650 million from the agencies of the Government matching employees' funds; \$214 million was appropriated in the Treasury bill to pay the interest on the \$7,500,000,000 cash fund balance.

This makes a total of \$1,514,000,000 income to the retirement fund in 1959, and makes unnecessary the additional \$589 million proposed in the bill.

Disbursements from the fund in 1959 are estimated at \$802 million which show that the fund will gain in 1959 over and above the amounts paid out—\$712 million—again proving no necessity of adding another \$589 million.

#### DO THESE FACTS INDICATE THE RETIREMENT FUND IS BANKRUPT?

The Members on both sides of the of the House are and should be concerned about the present day economic condition. Many Members are thinking of appropriating additional funds to expand public works construction or to reduce taxes—those things that will directly affect and benefit the citizens of this country.

This proposed appropriation of \$589 million to the retirement fund will create an increase in the public debt. It is merely a bookkeeping transaction, and will not contribute 1 red cent toward relief to the present day economic condition.

This fund is not only sound actuarially for at least 14 years to come, but it has the full faith and credit of the Government as an assurance that all retirement benefits will be paid. Someone has said that the fund is bankrupt. Of course, that is a mistaken idea. This fund can only be bankrupted in the future by the Congress, managing the fiscal affairs of our Government in connection with the

executive department in such a way that we will bankrupt the Government.

This extra appropriation with other billions and billions that might be unwisely appropriated could be the steps taken that would bankrupt the Government and thus bankrupt the fund.

We who are trying to stop the unnecessary increase of the national debt by asking the Congress not to put this unnecessary increase of over a half billion dollars on the national debt at this time, are, in fact, the ones who are trying to protect this fund for the future of those in Government interested in the retirement fund.

#### GENERAL SERVICES ADMINISTRATION

Some other substantial increases were for repairs and improvements of federally owned buildings—\$10 million over the budget, which we thought were justified, and will save money in the long run.

Sites and expenses, public building projects—\$18 million. By changing to direct appropriations rather than to continue lease-purchase construction of public buildings, and with increases we found necessary over the budget estimate, the total increase for General Services amounts to \$121,517,900, notwithstanding a reduction in strategic and critical materials of \$70 million, and other substantial reductions.

At this point may I say Mr. Floete deserves high praise for the leadership and energy he has demonstrated as Administrator of GSA. He and his staff have done an excellent job.

#### HOUSING AND HOME FINANCE AGENCY

Since I shall direct some criticism with reference to some programs under the Housing and Home Finance Agency, whose Administrator is Albert Cole, known and highly respected by all the Members of Congress, I do want to say that I do not believe the President could have selected anyone for this difficult job who could have rendered a better service of administration than does Al Cole. Mr. Cole and the present administration inherited this giant arm of bureaucracy, which had been built up and had become a policy of the Federal Government for several years before Mr. Cole was named Administrator. I know and most of you know that Mr. Cole has greatly improved and tightened up this farflung organization.

His associates, including Mr. Slusser at the head of Public Housing, are doing the best they can, and have made great improvement in the administration of the act for which the Congress is solely responsible.

And I want to pay special tribute to Mr. Norman Mason for the excellent management he has given to FHA.

#### URBAN RENEWAL

In this rather large agency was carried an item of capital grants for slum clearance and urban renewal of \$50 million.

This appropriation finances two-thirds of the loss incurred by a local community in acquiring and clearing land for an urban renewal project.

The contract authorization at the present time for such grants, which will

be given away to the large and smaller cities—\$1,350,000,000, and legislation has been introduced to increase the authorization to \$2,650,000,000 by fiscal year 1963. Thus, the total of \$2,650,000,000 will be contracted for in the future and come before this committee, and the Members of Congress for approval if the law is continued in effect, and I fear it will be.

These huge amounts are being spent and will continue to be spent to do a facelifting and slum-clearance job, building up such cities as New York, Philadelphia, Pittsburgh, Chicago, and some smaller cities—all of this money to build up these cities at the expense of all of the taxpayers in the Nation—from every congressional district in the United States.

I cannot bring myself to believe that all of our farmers, our little-business men, and our laboring men and women should be taxed as they are being taxed for these huge gifts in building up the urban and city districts. I cannot quite understand how the Members of this Congress can justify laying this tax on the citizens of their districts who never derive any benefit whatsoever from it.

#### PUBLIC HOUSING ADMINISTRATION

There is another item in this bill for \$107,500,000 for annual contributions, payments on 401,214 low-rent public-housing units. The bill also includes \$11,800,000 for administrative expenses of the Public Housing Administration, making a total of \$119,300,000. This singularly large sum carried in this bill is only a pittance of the billions of dollars that over the years have been appropriated in the building of low-rent public-housing units—practically all of them in the large cities of the Nation.

These grants, gifts, or subsidies, whatever you want to call them, are first collected in taxes from the people of the entire Nation to build new and modern small housing units, mostly in great apartment buildings in the cities where the people who occupy them are charged a rental of about one-third less than normal rents, and this one-third rental is paid for them from the taxes of all the people throughout the United States.

Here are some startling figures which I feel should be called to the attention of the Members of Congress, taken from information I received from the Public Housing Section of the Housing and Home Finance Agency yesterday. This is the backlog or work ahead which has been contracted:

Ninety thousand units are under annual contributions, on which construction has not been started but will be built.

Fifteen thousand five hundred are under contract.

Sixty-seven thousand one hundred were authorized in 1956 to be placed under contract.

This makes a total of 172,600 that are authorized, with 15,500 under contract.

This does not include 376,000 which have been under management for several years, and it is fair to say that several thousand of the last lot were wartime units built several years ago.

I think it should startle you to learn that the Government, through its 40-year contract of subsidizing this public housing, to be occupied by people who pay only about two-thirds of the normal rental, when all of these units are completed will have a clear loss of over \$5 billion of the taxpayers' money. When you combine this with a loss of \$1,350,000,000, when the urban renewal contracts now entered into are finished, the total loss to the Government would be something over \$6,350,000,000.

I bring this painful information to the attention of the Members of Congress in the hope that sometime, somehow we can stop the urban renewal and the public housing programs.

#### FEDERAL HOUSING ADMINISTRATION

I have a report today from the FHA section of the Housing Administration, which has been doing a wonderful job over the past number of years in promoting free enterprise housing, that the applications for insurance for smaller homes, from \$10,000 to \$13,000, are about 70 percent higher than this same time last year, and that is certainly good news.

Furthermore, it is the opinion of Mr. Norman Mason, the head of that section, as expressed to me, that there will be built 1,100,000 FHA financed homes this year, which far exceeds the new building last year.

#### VETERANS' ADMINISTRATION

First, I want to pay my compliments and express my appreciation to Mr. Whittier of the Veterans' Administration, whom I am sure has impressed all the members of the committee as an able and dedicated administrator in the interest of all of the veterans.

The committee recommended \$4,932,210,000, which is \$35,342,000 below the amount recommended last year for 1958; however, the committee increased several items above the amounts requested in the budget—for inpatient care, the committee provided \$715,465,000 for eligible veterans in VA and other hospitals. That is \$8,365,000 more than the budget estimate, and \$13,465,000 more than the current year.

During the hearings it became evident that the budget estimate was inadequate for the number of beds that would be required, and also would not provide the type of care for neuropsychiatric patients the VA considered desirable. The committee has, therefore, added \$5,000,000 over the budget estimate for improved medical care for mental patients, and \$3,365,000 for care of additional patients.

The bill provides for treatment of 140,800 beneficiaries instead of 139,042 as proposed in the budget estimate.

#### OUTPATIENT CARE

The bill contains \$75 million for this item, which is a reduction under the budget request of \$798,000. The reduction is predicated on a smaller workload for next year.

#### COMPENSATION AND BENEFITS

The bill includes \$3,200,000,000 for payment of compensation and benefits to veterans in 1959. The amount pro-

vided is a reduction of \$32 million in the budget estimate, and is still \$373,750,000 more than was appropriated in 1958.

The above reduction was made in view of the fact that a carryover of funds from 1958 currently estimated it from \$15 million to \$25 million.

#### READJUSTMENT BENEFITS

The bill provides \$700 million for this item, which is \$17,960,000 less than the budget estimate. More than \$600 million of this appropriation is for training Korean conflict veterans, and the number of trainees is expected to drop from 540,000 to 460,000 next year.

I shall not go farther, because I have talked at great length; more than I feel I should, other than to say that we have done the best we could with this bill. We have taken care of the veterans in very good shape. There have been some things the committee has reported with which I do not fully agree, and there has been some language in criticism of some people, with which I do not agree. But, of course, those small things do not amount to much when you talk about the fine good that comes from a group of men working in the interest of our Government, such a group as we have on this particular committee.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. Briefly.

Mr. JONAS. Is it not true that the only way it can be said that this fund is insolvent or bankrupt is in the event all the beneficiaries should apply at one time for payment and then there would not be enough money in the so-called trust fund to pay them?

Mr. VURSELL. That is true.

Mr. JONAS. But the fund itself is no more bankrupt than the Federal Government; is not that true?

Mr. VURSELL. I fear not nearly as bankrupt as the Federal Government.

Mr. JONAS. As a matter of fact, the Federal Government has used all of the money, and the trust fund merely has the I O U's of the Government as its only assets; is not that true?

Mr. VURSELL. That is quite correct.

Mr. JONAS. If we continue to pour money into the fund the Government will continue to spend that money and put additional I O U's in there. Eventually when-paying time comes we will have to tax the people twice to take up the I O U's after having taxed them to provide the money to put into the fund, is not that true?

Mr. VURSELL. It would be a losing operation for the taxpayer and a greater expense.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. VURSELL. I will be glad to yield to the gentleman from New York.

Mr. TABER. The way things are going, the disbursements could not get up to the amount of money in the fund prior to 1972.

Mr. VURSELL. That is quite correct.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Illinois.

Mr. YATES. Does the gentleman recall the testimony of the Civil Service Commission before our committee—

Mr. VURSELL. I will anticipate the gentleman's question.

Mr. YATES. Let me ask the question.

Mr. VURSELL. I do not yield further. I know quite well the budget did not request these funds. It took a great deal of questioning to get them to say they were interested in any way whatever.

Mr. YATES. With respect to the point the gentleman made, the Civil Service Commission requested funds for the appropriation. On page 550 of the hearings Mr. Irons testified that if this contribution is not included in 1992 the Federal Government will have to make direct appropriations to meet the claims of the claimants of \$1.5 to \$2 billions per year.

Mr. VURSELL. I am perfectly willing to admit that. It took a good deal of urging to get Mr. Irons to make that statement, which is a factual statement. It is not 1992, however.

Mr. YATES. Nineteen hundred and ninety-two is the statement in the hearings.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from North Carolina.

Mr. JONAS. Making direct appropriations is exactly the way we handle retirement funds for the military personnel, is that not true? We do not set up any trust fund out of which we pay retirees of the military service. We do that by direct appropriation each year.

Mr. VURSELL. And we take care of hundreds of millions and billions of dollars for the veterans. We are interested in the veterans. We are interested equally in those who expect to benefit from the Civil Service Retirement Fund.

Now I want to talk for a minute or two about the Housing and Home Finance Agency, and at this point may I compliment Mr. Cole on the ability and energy he has demonstrated as Administrator. He and his staff have done an excellent job.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from Texas.

Mr. THOMAS. May I join my distinguished colleague from Illinois in his remarks about Mr. Cole. He is a fine man and a hard worker. He is a fine citizen and we think he is doing a good job.

Mr. VURSELL. And we think we have a fine chairman of this committee, a most gracious chairman, although we disagree occasionally as good citizens do. But we like to work with the chairman. We all know that he is rendering a great service to his country.

Mr. THOMAS. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. BOLAND] such time as he may require.

Mr. BOLAND. Mr. Chairman, like other members on the Independent Offices Subcommittee on Appropriations, I wish to express my appreciation to the chairman for the manner in which

he has handled this committee; to the ranking minority member and to his two colleagues, the gentleman from New York, and the gentleman from North Carolina, and my own colleagues, the gentleman from Illinois and the gentleman from Tennessee, for the efforts they have expended in bringing to this floor this appropriation bill.

One of the very pleasant tasks of this Congress is to serve on this committee. I know of no committee or subcommittee of the full Committee on Appropriations that enjoys its work as much or spends any more time on it than do the members who serve on this particular committee. When the chairman opened debate on this bill he indicated that other members of the committee knew as much about the various agencies as he does, but in saying this he is selling himself short. There are few members who work as hard, there is none who knows as much about the 17 agencies with which this bill deals, as does the gentleman from Texas [Mr. THOMAS].

All of the agencies provided for by this subcommittee have their particular uses to the Government; all 17 are important, and all 17 have been treated very generously and very carefully by this subcommittee. One or more of the agencies provided for in this bill deal with the hopes, aspirations, and faith, I think, that the people have in this Nation of ours; and I believe 1 or 2 of them deal specifically with the future salvation and future security and stability of this Nation. One of those is the National Science Foundation.

Under the basic law the National Science Foundation is authorized and directed to develop and to encourage the pursuit of a national policy for the promotion of basic research and education in the sciences. I think the bill which this committee brings to this floor carries out that policy; as a matter of fact, as the gentleman from North Carolina pointed out in his opening, when the National Science Foundation came into being its first appropriation was \$225,000. In this bill this year we make provision for the appropriation of \$115 million. I think this indicates pretty clearly that the members of this committee, that the Bureau of the Budget, that the administration, that Members of Congress recognize the real race that we are in with some of our adversaries, and that by this appropriation we are attempting to take care of dealing effectively with an adequate science policy.

We are doing in our time what the founders of this Nation did in their time. Let me read a very interesting article which appeared in the New York Times of this morning entitled "Will We Do the Job in Science?"

The article reads as follows:

We Americans have been drawing comfort for years from a plausible proposition:

Freedom is the lifeblood of science. Therefore, as the largest free nation on earth we produced the most and the best in science.

Then Russia—which only yesterday was packing off to Siberia any scientist who upheld natural law against Lenin dogma—shot a missile through our complacency; she beat us into space by 4 months. She served notice that she was ahead of us in certain critical areas of rocket development. She unveiled

an education system for scientists and engineers that turns them out much faster than we do.

On the threshold of a space age in which the side that is strongest in science will inherit the earth—or what is left of it—she sent us searching frantically for the proofs of a proposition we had taken for granted—in fact, for the answers to three questions:

Has our system failed us?

Have we failed our system?

In either case, what can we do?

We can thank sputnik for putting the question so plainly. For the challenge had been there all along.

With or without sputnik—with or without Russia—we would still have had to solve the giant problems raised by the massive eruptions of human forces and natural forces in our time.

We would still have had to find a way to harness the energies of the atom to the task of bringing technology, food, and freedom to the hungry three-quarters of the world's people—or been engulfed as these awakening millions reached out for the tools, or the weapons.

We would still have had to discover new sources of energy, in the world around us, in the sun or the stars, or see the conventional reservoirs of fuel dry up.

We would still have had to find the credentials of space-age scientific leadership for which we are searching now, or surrender that leadership.

Sputnik only added the exclamation point to the challenge, and set a deadline for decision.

It wasn't the system that failed us—the proofs are plentiful.

The founders of America did far more than establish a climate for the study of science. They set up the means by which the findings of science could be put to practical use for the benefit of everyone.

They opened the way for whole industries to blossom from the seed of a single scientific discovery—and for those industries to reseed themselves and reseed science itself with profits plowed into research, into foundations and educational endowments. There's no reason now to doubt the resiliency of a system that could bring into being the miracles of aviation and automation and electronics that are the trademarks of modern America—and at the same time could produce more than half of the Nobel prize winners in physics, chemistry, medicine, and physiology between World War II and 1957.

A system that has pioneered the fission and fusion of atoms and at the same time conquered half a dozen of the world's deadliest plagues and plotted the final conquest of polio, malaria, cancer, arthritis, and heart disease, gives reasonable assurance of doing any job asked of it in the future.

But it's hardly necessary to labor that point—Khrushchev, himself, has driven it home. He has cut his physical scientists loose from the restraints of Communist dogma, and given them a degree of freedom that would have brought cries of treason from his predecessors. He did this by invoking an even more fundamental Communist axiom—that the end justifies the means, even if they are freedom's own means. He has borrowed another page from freedom's book in broadening the base of his scientific manpower through expanding education. An informed people has long been considered the nemesis of any dictatorship. Khrushchev is willing to take his chances.

We can stop worrying about whether freedom can do the job in science—and start asking ourselves in what respects we have begun to fail freedom. The answer is easy; the cure is not.

Until sputnik, we weren't facing up to the space age—we were backing into it.

Secure—as we imagined—behind our H-bombs and our unmatched industrial power,

we ignored a fact that Russia grasped early and clearly:

Progress in weapons and progress in technology—basic requirements for survival in the age we have just entered—both depend upon the scientist in the laboratory, unlocking new secrets of nature.

Russia has not only emancipated her scientists—she has made them princes of the realm, enjoying salaries and status reserved for her top-rung aristocracy. And she has assured a satisfactory flow of reinforcements.

In America we have been going the other way.

As the original proprietors of the incentive system we devised incentives for just about every talent under the sun—from playing a good game of football to recalling Henry VIII's third wife's middle name. But an American scientist engaged in fundamental research has had to scratch to find any token of appreciation. (Nobel, after all, was a Swede.)

A recent study among high school students established an image of the American scientist as a combination of Svengali and the absent-minded professor. Another study among American adults developed that only 10 percent of those interviewed could call to mind the names of even two American scientists.

That we are still ahead in science—that we still have better facilities and greater aggregate scientific competence than Russia—is a tribute to the farsighted programs of the universities, industry and the foundations, and to the scientists themselves and their dedication to their own ideals.

But our margin of superiority is dwindling—and it will disappear unless we move swiftly to bring science into a condition to fulfill its mission in tomorrow's world.

The Federal Government has a responsibility here—to make sure that enough basic research is conducted to meet the minimum needs of national security. It is moving to meet this need, by stepping up the research, scholarship, and teaching-support programs of the National Science Foundation.

But the American people—not Government—control the incentives, the climate, and the training facilities that will finally determine whether we shall have enough science in time, or too little, too late.

They must know their own absolute dependency upon science in the space age—not that science, alone, can make freedom secure, but that the free world cannot survive without that steady flow of scientific discovery that produces new weapons, new technology, new instruments and methods to wage peace.

If this life-and-death dependency upon science is understood, the American people will provide—readily and eagerly—the means for their scientists to do their job.

These are their needs:

Respect and status in keeping with their service. One measure of that status—though by no means the only one—is financial reward, and until now many scientists have had to leave the schools and university laboratories and go out into private industry to get it.

Freedom—to work alone in a laboratory, or to pool ideas and findings, and attack a complicated problem in worldwide concert, as was necessary to split the first atom. Military secrecy can never be thrown to the winds, but secrecy that forecloses a vital new weapon or a revolutionary instrument for peace is a costly self-indulgence in the space-age struggle.

An ample supply of new blood—which can come only by giving prospective young scientists the tough, challenging courses that will whet their minds, the laboratory equipment to train them, and the teachers to inspire them.

These are modest requests for a group of Americans who are prepared to provide, in

return, the instruments for a better life for all of us, for security in the space age, and for accelerated progress toward the kind of peace we all seek. Our scientists are ready to prove—if the American people will join them in the effort—that the vigorous practice of freedom is the ultimate weapon.

What this bill before us does is to make sure that enough basic research is conducted to meet the minimum needs of national security and is moving to meet this need by stepping up the research scholarships, and teaching support programs of this National Science Foundation.

This committee provides for the three great programs of this foundation:

First, grants to universities for basic research.

Second, fellowships to continue predoctoral and postdoctoral studies.

Third, institutes for training science and mathematics teachers.

I think the \$115 million we have provided in this bill, despite the fact that it is a \$25 million reduction in the request, is sufficient to run this agency. This is an increase of \$75 million. It seems almost inconceivable that this agency can use any more than this at this time. One of the other agencies under this bill is the National Advisory Committee for Aeronautics. The work of the National Advisory Committee for Aeronautics is to advance technology relating to aircraft, missiles, and in these days, of satellites and space craft itself. This is a tremendously wonderful and magnificent agency.

This is the agency that developed the area rule which enabled our planes to break the sound barrier by the simple process of revamping the fuselage on an airplane. This is the agency that developed the blunt nose cone that is able to break out into outer space and come back to the earth again without burning out. This is a great agency. This is the agency that ought to be put in charge of the entire space program, for this agency is composed both of civilian and military men. This is the agency that by its basic research will do more for the Nation in the space years that lie ahead.

What is this committee doing for the National Advisory Committee for Aeronautics? The first appropriation for this agency was back in 1949 and the total appropriation was around \$38 million. In this bill today we make an appropriation for the National Advisory Committee for Aeronautics of \$78 million, double the amount which was expended in 1949. So I say that the committee, the Bureau of the Budget and the administration are doing their part in making sure that this agency has sufficient money with which to operate and that our developments in space will be sufficient to keep up with any of our adversaries anywhere on earth.

One of the other agencies with which we deal and with which the committee is primarily concerned is the Veterans' Administration. I wish to express my best wishes to the new Administrator, Mr. Sumner G. Whittier, who is from my home State of Massachusetts. He was formerly a Member of the House of Representatives and was also a Member

of the State senate, as well as having been lieutenant governor of the State. He has a tremendous job for it means that he supervises the expenditure of some \$4,932,000,000. The expenditure of this kind of money requires a man with some intelligence and ability and faith in the veterans and faith in his Government. It also requires one who has a sense of humor. Mr. Whittier has it. So when the chairman of this committee, the ranking minority member and all of the other members of the committee join in wishing him well, I, too, join in that wish. I know that he can do a good job. I know he wants to do a good job, not only for the veterans but for the Nation itself.

In this bill here we added \$5 million for medical research in medical institutions. The Veterans' Administration requested of the budget \$6,500,000 and that request was denied. This committee, impressed with the manner in which Dr. Middleton is running the medical research program, put back \$5 million. This will permit a modest advance in psychiatric treatment techniques by increasing the ratio of employees to patients. Improving treatment programs for the mentally ill is not an easy goal to achieve. It requires ceaseless effort, for no other area of medicine has such a historical lag to overcome. The effects of the tranquilizing drugs have created an urgent need for social stimulation of the patients and their families and application of treatment activities to large groups. More can be done in this direction with more staff. Additional staff will also permit a broader use of other drugs. The addition of \$5 million to the medical research program of the Veterans' Administration, the NP program, will do precisely this. I think it is a good expenditure of money, I think it will pay dividends in the future, and I trust, Mr. Chairman, that when the committee comes to vote on this bill it will accept the recommendations of the Independent Offices Subcommittee of the Appropriations Committee for the fiscal year 1959.

Mr. THOMAS. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. JONES].

(Mr. JONES of Alabama asked and was given permission to revise and extend his remarks.)

Mr. JONES of Alabama. Mr. Chairman, before I discuss the items contained in the appropriation bill, I think it is necessary to make some brief observations of the history of the various building acts so that we will understand fully the proposition before the committee today.

The first modern day authorization for the construction of Federal buildings was contained in the act of 1913. That envisioned a comprehensive construction program to take care of the housing needs of the various agencies of Government located throughout the 48 States and the Territories. Immediately after the passage of that act World War I came along and it was suspended; we did not have any building program in effect under that act. Again, in 1926, we revived the hope of a building program and the act of 1926 was passed, and all

the construction that took place subsequent to that date was either by amendments to the 1926 act or in provisions contained in appropriation items during the thirties, for the construction of Federal buildings. In the latter part of the thirties we passed an act authorizing site acquisition for future construction of Federal buildings. World War II intervened, and we renewed the act in 1949. Later that program, by Executive order, was suspended due to the Korean war. Then in 1954 we passed the so-called Lease-Purchase Act which, we were hopeful, would fill the need of a construction program.

Now, today I am here in support of the proposition sponsored by the Committee on Appropriations which will definitely, for all time to come, I hope, get rid of the lease-purchase law and the authorization contained in that law. Last year the act expired, after almost 4 years of ineffective effort. Let me say that I have no complaint to lodge against Mr. Floete, who made an attempt to administer the Lease-Purchase Act, nor of the Post Office Department Facilities Chief, Mr. Kieb, and his administration. I think the failure of the act lies with the act itself, for it certainly has been a "Rube Goldberg" arrangement of the worst variety.

The reason I want to see the Lease-Purchase Act killed is, first, that from the time the act has been in effect it has proven conclusively that there would not or could not be any large scale building constructed under it. One hundred and forty-six buildings have been authorized for construction. But, Mr. Chairman, only 1 building has been completed since July of 1954, and that is at Rock Island, Ill. Now, if from 1954 to the present there has been no faulty administration and if there has been a conscientious desire on the part of the Administrators to carry out a building program, then this is ample evidence that the act will not work.

I do not know of any greater authority to rely upon than the Administrator himself, Mr. Floete, for in his testimony to be found on page 7 of the House Report No. 894 filed by the Committee on Public Works on July 29, 1957, accompanying the resolution for the continuation of a program of direct appropriations, we find this in the committee hearing in a colloquy between Mr. THOMAS and Mr. Floete, as follows:

Mr. THOMAS. Mr. Administrator, did you ask for any direct appropriations on your public buildings program?

Mr. FLOETE. Yes, sir.

Mr. THOMAS. How much?

Mr. FLOETE. We asked for \$335 million to finance the balance of 1957 and all of 1958 which would include all of these projects that have been approved.

Mr. Floete is directing his reply to the projects that had been approved under lease-purchase or Public Law 519 of the 83d Congress. Here is the next question:

Mr. THOMAS. On what theory did you ask for money for a direct building program?

Mr. FLOETE. Well, primarily because the present program was apparently not operating.

Mr. THOMAS. It was just not workable; is that right? That is, when you were advised

it might be well to hold all matters in abeyance, relative to your program?

Mr. FLOETE. For the reasons I have stated.

This is an admission of the Administrator himself. The second reason we want to see an abatement of this program, is its overall cost. When we held hearings on the progress of Public Law 519 in the Committee on Public Works last year we asked the General Accounting Office to prepare an analysis of the estimated cost factors involved in the 146 projects that had been authorized since Public Law 519 was enacted. Let me read you part of their analysis.

Of the 146 projects, if direct appropriation was used the cost would be \$714,616,000. Under the lease-purchase arrangement, on the assumption that the interest on the money for these projects would be at 4 percent, the amount would be \$1,357,614,000. That is almost twice the entire cost of the direct appropriation.

Of the \$1,357,614,000 under lease purchase for 146 projects, \$273,583,000 would be paid on taxes on Federal buildings constructed in various localities in this country. In other words, the Federal Government would assume all the obligations of the ad valorem tax and there would be an accumulation of such items throughout the country. For example, in the city of New York, on one project under lease purchase whose construction cost would be \$93,925,000 over 25 years the local taxes would add an additional \$52,916,000 to the cost.

This is a departure from every known policy of the Federal Government in construction of projects for public use; to have the Federal Government pay local taxes for the purpose of servicing these people.

Mr. BURLESON. Mr. Chairman, will the gentleman yield?

Mr. JONES of Alabama. I yield to the gentleman.

Mr. BURLESON. As I understood the Chairman this morning, the committee has taken these 66 projects, with the exception of those in the District of Columbia, and has approved an appropriation of \$177,255,000 for their construction, using as a criterion for their selection the fact that they had been approved under the so-called lease-purchase agreement. As I understand it further, their action is based on an authorization passed in 1926. Am I correct thus far?

Mr. JONES of Alabama. Let me answer the question in the sequence in which it should properly be answered. The language in the bill is based upon the authorization of the 1926 act, which is the basic law for Federal building construction. The identities of the projects were taken from the 1954 act, Public Law 519, due to the fact that these were projects on which prospectuses had been approved by the Public Works Committee. The Appropriations Committee thus had sufficient information to make appropriations for specific sites throughout the country.

Mr. BURLESON. The gentleman has said there is a total of 146 projects approved under the lease-purchasing plan.

Mr. JONES of Alabama. That is correct.

Mr. BURLESON. The 66 projects included in this bill are taken from the 146; is that correct?

Mr. JONES of Alabama. The answer is "Yes." I want to say at this point, Mr. Chairman, that no man has devoted more time and effort toward working out a sound, economical building program than the gentleman from Texas. The gentleman has contributed his time and has made valuable observations to the Committee on Public Works on the projects in his own congressional district as well as the needs in the entire country.

Mr. BURLESON. As to the remaining 80 of the 146, does that mean those projects will continue their priority, and that the committee will then appropriate money for the construction of those buildings?

Mr. JONES of Alabama. I cannot answer that because I am not a member of the Appropriations Committee.

Mr. BURLESON. Let me put it this way very briefly: Will these remaining projects hold the same status as the 66 projects?

Mr. JONES of Alabama. I cannot speak for the Appropriations Committee. I know it would be the intention of the Subcommittee on Public Buildings and Grounds to continue this status.

Let me point out one more item of interest before I conclude: There is not a single project that has been contracted for by the General Services Administration where the interest rate is less than 4.74. In other words, the basic rate will be almost a 5-percent interest rate. Thus the total cost of these 146 projects will be approximately \$1,465,000,000, or twice as much as the cost under direct appropriations.

Mr. Chairman, the lease-purchase scheme is the most indefensible waste of funds in the history of Government construction. If the program actually had resulted in the construction of the projects heretofore approved, it would have cost the taxpayers of the country hundreds of millions of dollars in excess of the amount that would have been necessary to construct the same buildings by direct appropriations.

This bill must pass. Lease-purchase must end.

Mr. VURSELL. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. MCGREGOR].

Mr. MCGREGOR. Mr. Chairman, I am most happy, although I am not a member of the Appropriations Committee, to follow my distinguished colleague the gentleman from Alabama [Mr. JONES], who is also a member of the Public Works Committee.

I first want to pay my respects to the distinguished gentleman from Texas [Mr. THOMAS] whom we all love, and who, as well as the ranking minority member, the gentleman from New York [Mr. TABER], on the Appropriations Committee, works hard to bring good legislation to the floor of the House. I recognize they have had a difficult job to do, and that it is impossible for them to satisfy everyone.

The gentleman from Alabama, my distinguished colleague on the Public Works Committee and who is chairman of the subcommittee, and his colleagues on his side of the aisle had a great deal to do with the defeat of the lease-purchase legislation. I am most happy to follow him and to give some replies to some questions I think he left not fully answered. I am sure he does not want to leave any erroneous statements in the Record, and I would submit to him the question of the rates of interest. I have them here for anyone to see, and I shall not take the time to read them all. They range from 4 percent and 4.38 percent clear on down the line. I can see one that is at 5 percent, and that is at Burlington, Iowa. There is the Rock Island at 4 percent, and Albuquerque, and all the rest of them down the line. I am sure he will correct his figures to concur with the Record. I want to discuss with you some facts about the lease purchase bill. Those on the other side of the aisle must take the blame and they cannot deny it because it was a straight party line vote in the Committee on Public Works when they voted, and used proxies to do so, to let expire the lease purchase act which stopped public building construction which has been in effect for approximately 4 years. I have read with interest Mr. Floete's testimony, and I sometimes wonder if we need to look any further for the reason of nonactivity of the program than to the administrator himself. I suggest that we carefully scrutinize the activities of the administrator.

Now I would like to call attention to the requests for \$177 million by direction appropriations. My distinguished colleague from Alabama would lead you to believe that it costs lots more money to build by lease purchase than by direct authorizations. If we did not have to borrow any money—if we, the Federal Government, had more money than we knew what to do with—and if we did not have to borrow money and sell bonds, I would go long with a certain portion of the statement of the gentleman from Alabama. But, remember one thing. We have an indebtedness of \$275 billion. The first thing we have to do in order to get the money to take care of this appropriation is to borrow money from the people who have money back in our respective districts. They forgot to add that interest to their costs of direct appropriations. Then, let us take a look at another consideration in this matter. Under the Lease Purchase Act, whenever we entered into a contract in the area of my distinguished friend, the gentleman from West Virginia, that contract covered a period of 25 to 30 years. Did we pay taxes? We paid taxes to the local community until the expiration of that contract. What happens under the direct appropriation? The minute the contract is signed for the construction of the building, and we moved the first spade full of dirt, no more taxes are paid to that local community. So, is it fair to charge off the taxes on one side and not to charge off the taxes on the other? My friends,

you can take testimony and we will give you plenty of it that the actual difference between the lease purchase method and direct appropriations is approximately 1.6 percent. If you are going to take into consideration the interest we have to pay on the borrowed money and the taxes we pay under the lease purchase plan to the local communities, you will have a variance of 1.6 percent.

We have not constructed a Federal building outside the District of Columbia since 1938 under direct appropriation, and I agree with my friend, the gentleman from Alabama, that owing to the Korean war and to the administrator, Mr. Flote, and some others, that this program has been delayed because of the interest rate. I am sure my friend, the gentleman from Alabama, will admit that fact. Interest rate has had a lot of bearing on this matter. But, now what do we have? The distinguished Committee on Public Works decided to turn down the Senate bill, and the Senate bill was a continuation of the lease purchase act that had approximately 350 to 400 projects which were in the process of examination, survey, contracting, advertising and contract letting. Those were projects that were being considered by the various agencies. Take into consideration that there are approximately 400 projects. Go back 35 years and find out how many projects have been constructed under direct appropriations. None since 1938 and the record will so show. Some of my friends here in the committee are listening very attentively to the distinguished gentleman from Texas and to the distinguished gentleman from Alabama. First, go back to the report of the Committee on Public Works, No. 894. If you have a project in your district, it is listed there. Go to those two gentlemen and ask them if your project is going to be included in their \$177 million direct appropriation; if it is not, ask them why. It will be, if it is in the list under lease purchase. Plans are drawn and contracts ready to let. That is the thing to ask them. Ask them if it is not in that list. If it is not, when will your project which we have O. K.'d be taken care of and who is going to determine whether or not it is in the list.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MCGREGOR. I yield.

Mr. JONES of Alabama. If the gentleman is propounding a question to me as to whether or not these other projects will be constructed, I cannot answer him except to say that under public law they can be authorized in the future, and the only obligation to see that they are considered is to have the Post Office Department, General Service Administration submit a prospectus to the Appropriations Committee setting out the need and the cost of the project.

Mr. MCGREGOR. Then they come under a direct appropriation, is that not correct?

Mr. JONES of Alabama. That is absolutely true.

Mr. MCGREGOR. Which law has not given us a single new project since 1938.

Mr. JONES of Alabama. It has given us 66 under this bill.

Mr. MCGREGOR. That is the bill before us for consideration, but it is unusual that they come in and ask re-appropriation of a public works job. I am not an attorney, but I called this to the attention of the gentleman from Alabama, Mr. JONES, one of the best attorneys in this House. I listened to him refer to a law of 1926 just a minute ago. He is going to give a direct appropriation for projects authorized by a law that is now nonexistent. I hope he will look that up and see whether or not he can bring in a direct appropriation for projects under a lease-purchase law that no longer exists.

Mr. JONES of Alabama. Will the gentleman yield further?

Mr. MCGREGOR. Yes, I yield.

Mr. JONES of Alabama. I would not only refer the gentleman to the decisions of the General Service Administration, Post Office Department, but to the statement of the gentleman from Ohio, which he made in July last year before this House under a special order. I just bring it forward now. The gentleman on July 19 in addressing the House had this to say:

If the gentleman from Alabama or anyone else wants to introduce a bill to construct a postoffice in their community and the committee sees fit to authorize and the Congress sees fit to authorize and the Appropriations Committee sees fit to appropriate, that can become the law immediately, because the old basic law still exists.

Mr. MCGREGOR. And that is a private law. That is a bill that you yourself are recommending for your own projects. I certainly will back that up, but it does not refer to general authorization.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. VURSELL. Mr. Chairman, I yield the gentleman 3 additional minutes.

Mr. MCGREGOR. I will back that up because you are giving special authorization when this Congress passes that particular project, but here you are going along under direct appropriation and picking up 60 or 70 projects that have been authorized under a law that has now expired.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. MCGREGOR. I cannot yield any further.

But please go to those men who ask \$177 million, ask them why they did not want lease-purchase. Why they did not want private capital to come back into the local communities. There is a method on foot, where some men, a group, want to spend as much money as we possibly can spend by direct appropriation, with the result that we will again have to come before the Congress and ask for an increase in the debt limitation. You people who vote for this \$177 million direct appropriation today, who vote for the direct appropriation for FNMA and for Civil Service, you will be over that \$275 billion debt limit in a few days, and they will say, "We will have to increase the debt limitation." Here is a chance to cut \$177 million and go back to the old law and let your local

bankers at home take the contracts. Let your local community get their taxes. They will be glad to do that. Which is better, to give the local people their taxes back and get buildings constructed that are badly needed.

I yield to the gentleman from Colorado [Mr. ROGERS].

Mr. ROGERS of Colorado. Is the gentleman aware of the efforts made under the lease-purchase program to get local bankers at home to finance the setup? My information is that they have not been able to get any; and I direct the gentleman's attention to the situation in Denver, Colo.

Mr. MCGREGOR. I do not know anything about the gentleman's district, but I do know of 2 projects last week that had 5 bidders on them, they were not in my district. I have no projects in my district, but I do know that some of you Members have very meritorious projects.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. MCGREGOR. I yield to the gentleman from New York.

Mr. TABER. Contracts have already been executed on a large block of projects which I would read for the information of the committee if I had time. There are 16. Denver is not one of them. There are 20 more that are advertised and another 5 that will be advertised.

Mr. MCGREGOR. In closing, may I just say one thing: Keep in mind that with lease-purchase contracts your local people get taxes and they provide some aid toward reducing unemployment where such a situation exists. If the buildings are to be built under direct appropriations it is going to be a long time before they are constructed. Records show not a single Federal building outside District of Columbia has been constructed by direct appropriation since 1938.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from West Virginia [Mr. STAGGERS].

Mr. STAGGERS. Mr. Chairman, I would like to have the attention of the gentleman from Ohio [Mr. MCGREGOR] for a moment. The gentleman states that those who are advocating this direct appropriation plan or to do away with the lease-purchase contracts advocate it and vote for it because they want to raise the debt limit. I would like to inform my colleague that that is not true. I intend to vote for the bill and I intend to vote for it for the reason that I would like to have a post-office building in my district, a building that is badly needed. This is the third time it has been authorized since 1940. In fact, funds were set aside for it in 1940. The present building is 63 years old, it is inadequate, it is obsolete, it is in bad condition, and the Post Office Department is leasing other space to accommodate their needs. It is located in the city of Martinsburg, W. Va.

I tell the gentleman that I am going to vote for this bill not because I want to increase the public debt but because I feel Martinsburg should have an adequate Federal building.

Mr. JONAS. Mr. Chairman, if the gentleman will yield, what is the name of the place?

Mr. STAGGERS. Martinsburg, W. Va. It was authorized in 1940 and at that time funds were appropriated, but the Second World War broke out and the funds were set aside.

It was authorized again in 1949, but then the Korean war came along and again the funds were set aside.

It was authorized again in 1954 by the Public Works Committee of the House and it was supposed to be constructed under the Lease-Purchase Act, but here it is 1958 and the contract has not been let.

Mr. MCGREGOR. I might say that the Committee on Public Works O. K.'d it.

Mr. STAGGERS. The committee O. K.'d it and I appreciate that, but I still say we need the post office building. Present facilities are woefully inadequate. Receipts at the Martinsburg post office are the fourth highest in the State of West Virginia, and for each of the last 5 or 6 years they have increased 100 percent.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. STAGGERS. What is the gentleman's observation?

Mr. JONAS. I just wanted to say that there are a number of cities in West Virginia included on the GSA list as just about ready for construction.

Mr. STAGGERS. This is not one of them.

I would just like to say again that while I shall vote for the bill I shall vote for it not because I want to raise the public debt but because I want a post office. I believe the evidence is overwhelming that under the provisions of this bill, the buildings will be constructed more rapidly and at a great saving to the taxpayers. Talk of raising the debt limit is pure subterfuge in order to kill the bill.

(Mr. BROWN of Missouri asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROWN of Missouri. Mr. Chairman, I congratulate the Appropriations Committee for replacing newfangled lease-purchase financing with time-tested direct appropriations.

This is one of the most sensible actions this Congress has taken in 2 years.

If this act becomes law, the Congress will save the American taxpayers at least \$500 million on public buildings.

The new Federal building at Marshfield, Mo., can be built without excuses, delays, and redtape; and for \$100,000 less cost.

By junking the lease-purchase financing theory, we are getting back to time-tested fundamentals—reasonable interest rates and contract construction by competitive bidding.

Lease-purchase financing works well for industry; but Government's experience with it has been a fruitless fiasco.

The General Services Administration has advertised for bids on many projects, but in 3½ years the financiers, contractors, and Government have reached agreement on the very complicated con-

tracts of lease-purchase financing on only one project.

Many contractors have thrown up their hands in disgust at the redtape involved in lease-purchase financing.

Now, we can get on with necessary construction without all these unnecessary obstacles and wasteful complications.

We are going to build the buildings and pay for them, not on the installment plan at high interest rates but by direct appropriation.

This is what we have been fighting for. It has been a long, hard battle. If we pass this bill today it will be a great victory for commonsense and fiscal soundness.

Mr. THOMAS. Mr. Chairman, I yield 2 minutes to the gentleman from Virginia [Mr. JENNINGS].

(Mr. JENNINGS asked and was given permission to revise and extend his remarks.)

Mr. JENNINGS. Mr. Chairman, I rise in support of the appropriation bill now under consideration, and wish to address myself to the plans for including funds to construct 66 public buildings projects previously authorized under the lease-purchase program.

One of these building projects is planned for the town of Abingdon in the Ninth Congressional District of Virginia. The site is available to the Government, since the old building is to be demolished; architectural work and plans have been completed for several months; the occupants of the old building, including the western district of Virginia Federal court and the Post Office Department, have been relocated in temporary quarters since 1956; and the need for construction increases each day.

But despite repeated efforts of the General Services Administration to begin construction, the necessary contracts have not yet been awarded under lease-purchase arrangements.

Efforts to secure the construction of the Abingdon building cover the terms of my two predecessors in Congress. When the lease-purchase program was approved in the 83d Congress, General Services Administration agreed to plan the structure as one of these projects. When I came to Congress in 1955, it appeared that the plans would fall through because of disagreements over the space, cost, and so forth. This was settled through conferences with GSA and many interested parties. I solicited the support of the House and Senate Public Works Committees in securing the final approval of the revised prospectus in mid-1955.

Architectural contracts were awarded in the fall of 1955, and the building's designs and plans announced early in 1956. Because of a controversy over the building's design—it did not harmonize with general architecture in the town of Abingdon—a delay resulted while the building's exterior was redesigned by the architects. This was again worked out with General Services Administration to the satisfaction of the local citizens.

The Government sought financing and construction bids on the project in late 1956. This bid invitation was not suc-

cessful. The bids were rejected in early 1957, and soon after that, suspension of the lease-purchase program was announced by GSA. It was not possible to secure private financing under the existing money market.

During the remainder of 1957, I periodically urged GSA to again seek financing and construction bids under the authority granted before the expiration of the Lease-Purchase Act.

In October of last year, the 4-percent interest limitation, which had been the real culprit in the lack of financing bids, was removed and bids sought under a new procedure. An acceptable bid was received and announced by GSA in January of this year.

Following the receipt of a financing bid, at a 4.78-percent interest rate, GSA called for construction bids. Four have been received and are under consideration today. I am informed by GSA that it is unlikely approval will be given for any of these bids because they exceed the reasonable increase in construction costs to be allowed, supposedly, for the authorized lease-purchase projects.

The situation in Abingdon has been very inconvenient since the old building was closed in 1956. The Post Office Department operates in temporary quarters, which are not adequate and which cost the Government considerable monthly rent. The western district Federal court has been forced to use local and State courtrooms in Abingdon and nearby towns, creating an additional burden on such facilities. It is not practical to renovate and reopen the old building.

Mr. Chairman, this is a brief history of one Federal building project under lease-purchase, which, as indicated in the subcommittee's report is a most expensive way to secure this construction when compared with a direct appropriation.

My constituents in Abingdon have been patient. We have cooperated in every way to make this building a reality. The prospects for construction under lease-purchase are extremely doubtful, to say the least.

Because of the desperate need, we have not debated the merits of lease-purchase as compared with a direct appropriation; we have been interested in getting this building started under any reasonable program. However, I believe we have given lease-purchase a fair trial, and it has not succeeded. We should now provide these funds by direct appropriation so that contracts can be awarded and construction initiated.

Construction of the Abingdon building, in addition to giving the needed facilities for several Federal agencies, will serve as an impetus to the economy of the area.

I, therefore, recommend the passage of this bill providing funds for construction of the authorized lease-purchase projects, including \$580,000 for the Abingdon Federal building.

I might say we tried the local banking interests and other financial interests located in the general area in which this was to be built.

Mr. VURSELL. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, I should like to ask a member of the committee, perhaps the chairman of the subcommittee, a question or two concerning this bill. Is there any money in the bill for the construction of a building in New York City for the United Nations?

Mr. THOMAS. No.

Mr. GROSS. That went out?

Mr. THOMAS. Yes.

Mr. GROSS. I am glad to hear the gentleman say so. On page 2 of the bill \$350,000 is provided for the screening of citizens employed by the United Nations. Is that a diminution of previous appropriations for this purpose?

Mr. THOMAS. I do not know, I will say to the gentleman. It is hard to tell. It depends on the employment and we in the committee do not control the employment.

Mr. GROSS. I understand that.

Mr. THOMAS. I join in the gentleman's hope. I know what he has in mind.

Mr. GROSS. Let me ask the gentleman this question: Was there any evidence before the gentleman's committee, and I do not find anything in the hearings to that effect, indicating that there are any Communists from this country in the United Nations Organization?

Mr. THOMAS. They have been pretty good now since this program has been in effect. We think it has been worth the money on that basis. Incidentally, this appropriation is a little lower each year. You are right on that.

Mr. GROSS. Now that several additional countries have been taken into the United Nations, is there any chance that some day we might be reimbursed for this screening process?

Mr. THOMAS. I hope so, but my friend's guess on that is just as good as mine.

Mr. GROSS. On page 37 of the bill there is the following language: "Limitation on Administrative Expenses, Federal Facilities Corporation." That is a new one on me. Would the chairman of the subcommittee tell me what the Federal Facilities Corporation is?

Mr. THOMAS. I will say to my friend from Iowa that it is not a new one. You know, we set up some rubber plants and a few other items, and that is the crowd that is liquidating them. It is called the Federal Facilities Corporation. It has been over in the Treasury, and they transferred it over to General Services Administration. It is gradually going down.

Mr. GROSS. I hope it goes out of existence before this administration decides to provide some more help to build tire plants in Communist Russia.

Mr. THOMAS. For my friend's information, I think we will put them out of business this year.

Mr. GROSS. On page 44 of the bill you apparently provide under "Corporation—General Provision," 1 personnel officer to each 135 employees; is that correct?

Mr. THOMAS. Yes. And most of them have lived within the limitation. For a while it was 1 to 115. We gradually got it down, and no one has complained about it.

Mr. GROSS. Does not the gentleman think that 1 personnel officer can handle more than 135 employees?

Mr. THOMAS. You know, we do not like to disagree with our friend from Iowa. You may have a point there. We thought we were doing pretty good when we got down to 135. Maybe you are right. Would you suggest we lower it next year?

Mr. GROSS. I would like to get it up so that each personnel manager would be handling a good many more than 135. That is my point. I think we should have fewer personnel people.

Mr. THOMAS. I do, too, and we are gradually hammering them down. I am speaking the other way around. We are up in the figure rather than lower.

Mr. GROSS. I am glad to hear that.

Mr. THOMAS. You are right. This has been in effect for 3 years, and they have not complained about it too much. The first year they complained bitterly, but the second year the complaint was less audible.

Mr. GROSS. Next year try to boost them up a little bit.

Mr. THOMAS. Do you recommend that figure be raised to 150?

Mr. GROSS. I think it could be made 200 without trouble. And do one thing more: help us put a stop to this business of hiring outside consultants to come in and handle personnel matters. We have got them falling all over themselves in Government.

Mr. THOMAS. The gentleman can rest assured we will do the best we can.

Mr. GROSS. I thank the gentleman.

Mr. THOMAS. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. WRIGHT].

(Mr. WRIGHT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WRIGHT. Mr. Chairman, I understand that an amendment will be offered later to change the language on page 9 of the bill. So as to avoid repetition and save the time of the House, I shall withhold my remarks until that time. If such an amendment is offered, I shall at that time attempt to explain the savings which the Congress can achieve by substituting construction by direct appropriation, as is proposed in the bill, for the relatively wasteful lease-purchase system.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that the gentleman from Texas [Mr. TEAGUE] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Chairman, I wish to compliment the Independent Offices Appropriations Subcommittee, headed by my distinguished colleague, the gentleman from Texas, for the work it has done on the bill we have before us.

As chairman of the Veterans' Affairs Committee, I have been particularly interested in that portion of the bill which relates to the Veterans' Administration. In my opinion, the entitlement to hospital and medical care is one of the most important benefits available to our war veterans, and I have been particularly concerned with that portion of the bill which deals with the Veterans' Administration's hospital and medical program.

I have noted that the subcommittee has restored the cut in the intended beneficiaries which was imposed by the the administration. As I understand the budget proposed to the Congress by the administration, it was based on an average of 139,042 beneficiaries. This represented quite a reduction from the beneficiary level in last year's budget. Last year, a budget was provided for an average of 140,630 beneficiaries. In reducing the number of intended beneficiaries, the administration cut from the Veterans' Administration budget \$10½ million. The subcommittee has restored the average number of beneficiaries to 140,800, which is slightly higher than the level of last year. The subcommittee has also restored \$3.6 million of the funds cut by the administration for inpatient care. An additional \$5 million has been provided for improvement of care of mental patients. This additional \$8.6 million restored by the subcommittee will help the Veterans' Administration to meet the expense of caring for the beneficiaries which have been added by the committee, but I am afraid that it is not sufficient. It appears to me that if 1,758 beneficiaries are to be added by the bill, that the full amount of funds necessary for their care, \$10½ million, should be provided. I hope that this matter can receive further consideration in the Senate.

The Independent Offices Appropriations Subcommittee and the House Committee on Veterans' Affairs have worked together for several years in developing a long-range replacement, modernization, and repair program for the old Veterans' Administration hospitals. The program agreed on extends over a period of about 8 years and will require appropriations at a level of about \$50 million each year. The Veterans' Administration requested \$43,374,000 for this purpose and this was cut to \$9,145,000. The committee has restored \$10 million of the administration cut, which will help a good deal. I am afraid, however, that if more of the cut for replacement, modernization, and repair is not restored, that this vital program will lag. The Veterans' Administration hospital plant facilities are valued at \$2½ billion and it is impera-

tive that a proper maintenance program be carried on if this investment is to be protected. I am placing in the record a chart showing the details of the proposed replacement, modernization, and repair program, the cuts in the President's budget, and the amounts of the reduction involved:

	Original request	President's budget	Reduction
Replacement program:			
Jackson, Miss. (additional construction cost)	\$3,647,000	0	\$3,647,000
Nashville, Tenn. (additional construction cost)	5,362,000	0	3,362,000
Long Beach, Calif. (phase 2, technical services)	1,035,000	\$1,035,000	0
Coral Gables, Fla. (site)	500,000	250,000	250,000
Coral Gables, Fla. (technical services)	1,335,000	1,335,000	0
Memphis, Tenn. (technical services)	2,270,000	2,270,000	0
Total	12,149,000	4,850,000	7,299,000
Modernization, improvements, and repairs:			
Major (\$300,000 and over)	27,585,000	1,980,000	25,605,000
Special project, Oteen, N. C. (technical services)	1,365,000	0	1,365,000
Minor	3,000,000	3,000,000	0
Total	31,950,000	4,980,000	26,970,000
Total program	44,099,000	9,870,000	34,229,000
Application of prior-year savings	-725,000	-725,000	0
Appropriation request	43,374,000	9,145,000	34,229,000

I would like to call attention to a matter which I consider to be the most serious problem confronting the Veterans' Administration hospital and medical program. I have obtained a report from the Veterans' Administration which states that on December 31, 1957, there were 4,974 beds in Veterans' Administration hospitals not being used. These beds are designated as not required to meet current operating plans. As I understand it, these are beds which the Bureau of the Budget will not permit Veterans' Administration to operate. Since Veterans' Administration has no discretion in placing these beds in operation because of the administration's directive, there are no funds in the budget for reopening these beds. It seems to me that it is poor business indeed for the Federal Government to construct hospital facilities at costs exceeding \$10,000 per bed and then remove these beds from use by veterans, when there are waiting lists all over the country of eligible veterans seeking admission to hospitals. I am inserting in the RECORD at this point the chart showing the number of vacant beds in Veterans' Administration hospitals and the various hospitals where such beds are located:

Unavailable beds in VA hospitals, as of Dec. 31, 1957

Reason for unavailable beds	Total	Type of bed				
		Tuberculosis	Psychiatric		Neurological	General medical and surgical
			Psychotic	Other		
1. Total unavailable beds	7,308	1,904	980	96	199	4,129
TB hospitals	1,356	1,356				
NP hospitals	666		477		76	113
G. M. & S. hospitals	5,286	548	503	96	123	4,016
2. Beds in process of activation	299	59	200			40
TB hospitals						
NP hospitals	85		85			
G. M. & S. hospitals	214	59	115			40
3. Construction or maintenance	1,018		155			863
TB hospitals						
NP hospitals	164		155			9
G. M. & S. hospitals	854					854
4. Difficult to recruit required personnel	752		391	96	147	118
TB hospitals						
NP hospitals	135		66		50	19
G. M. & S. hospitals	617		325	96	97	99
5. Type of bed not required to meet current operating plan	4,974	1,843	29		52	3,050
TB hospitals	1,354	1,354				
NP hospitals	101				26	75
G. M. & S. hospitals	3,519	489	29		26	2,975
6. Other reasons <sup>1</sup>	265	2	205			58
TB hospitals	2	2				
NP hospitals	181		171			10
G. M. & S. hospitals	82		34			48

<sup>1</sup> Includes beds unavailable for patient care because (1) the space is required to quarter personnel (adequate housing is not available in the vicinity; (2) temporarily being used for research activities or special equipment for an individual patient's care; (3) substandard and not suitable for patient care; or (4) used to quarter member-employees.

Source: Controller, Department of Medicine and Surgery, Reports and Statistics Service, Veterans' Administration, Jan. 23, 1958.

Unavailable beds in VA hospitals  
as of Dec. 31, 1957

BEDS IN THE PROCESS OF ACTIVATION

TB hospitals	( <sup>1</sup> )
NP hospitals	85
Jefferson Bks., Mo.	43
Salisbury, N. C.	42
G. M. & S. hospitals	214
Houston, Tex.	155
Lincoln, Nebr.	30
Minneapolis, Minn.	10
West Haven, Conn.	19

CONSTRUCTION OR MAINTENANCE

TB hospitals	( <sup>1</sup> )
NP hospitals	164
Berry Point, Md.	155
Tuskegee, Ala.	9
G. M. & S. hospitals	854
Bronx, N. Y.	68
Buffalo, N. Y.	41
Dallas, Tex.	388
Long Beach, Calif.	220
Los Angeles, Calif.	86
San Francisco, Calif.	51

DIFFICULT TO RECRUIT REQUIRED  
PERSONNEL

TB hospitals	( <sup>1</sup> )
NP hospitals	135
Jefferson Bks., Mo.	66
Montrose, N. Y.	19
Salisbury, N. C.	50

<sup>1</sup> None.

Unavailable beds in VA hospitals  
as of Dec. 31, 1957—Continued

DIFFICULT TO RECRUIT REQUIRED  
PERSONNEL—continued

G. M. & S. hospitals	617
Ann Arbor, Mich.	102
Cleveland, Ohio	56
Hines, Ill.	107
Jackson, Miss.	70
Kansas City, Mo.	10
Memphis, Tenn.	170
Minot, N. Dak.	14
Muskogee, Okla.	35
Pittsburgh, Pa.	32
Poplar Bluff, Mo.	21
Type of bed not required to meet current operating plan	
TB hospitals	1,354
Batavia, N. Y.	25
Brecksville, Ohio	46
Castle Point, N. Y.	156
Excelsior Springs, Mo.	26
Livermore, Calif.	64
Madison, Wis.	28
Memphis, Tenn.	50
Oteen, N. C.	933
Outwood, Ky.	26
NP hospitals	101
Murfreesboro, Tenn.	22
Topeka, Kans.	79
G. M. & S. hospitals	3,519
Alexandria, La.	435
Aspinwall, Pa.	75
Bath, N. Y.	20
Birmingham, Ala.	29
Cincinnati, Ohio	14

Type of bed not required to meet current operating plan—Continued

G. M. & S. hospitals—Continued

Clarksburg, W. Va.....	16
Cleveland, Ohio.....	111
Columbia, S. C.....	10
Dayton, Ohio.....	269
Dearborn, Mich.....	33
Dublin, Ga.....	24
Erie, Pa.....	12
Fargo, N. Dak.....	28
Fayetteville, N. C.....	26
Fort Harrison, Mont.....	63
Hines, Ill.....	863
Jackson, Miss.....	126
McKinney, Tex.....	557
Memphis, Tenn.....	365
Minot, N. Dak.....	59
Omaha, Nebr.....	26
Richmond, Va.....	54
Shreveport, La.....	6
Vancouver, Wash.....	74
Wadsworth, Kans.....	136
West Haven, Conn.....	88

OTHER REASONS

TB hospitals: San Fernando, Calif.....	2
NP hospitals.....	181
Montrose, N. Y.....	171
Sepulveda, Calif.....	10
G. M. & S. hospitals.....	82
Bronx, N. Y.....	3
Fort Thomas, Ky.....	45
Kecoughtan, Va.....	34

Mr. Chairman, I would like to call to the attention of every Member of the House the following facts regarding the budget under consideration for the Veterans' Administration for fiscal year 1959.

The Committee on Veterans' Affairs held hearings on veterans' housing, and on March 12 officials from the Veterans Administration informed the committee that they had made no plans or request in the budget for additional personnel to handle an increase in activity in the veterans' home loan program if Congress took action to stimulate the veterans' housing program during fiscal year 1959. They further testified that the budget for the loan guaranty operations was based on the Veterans' Administration making only 55,000 guaranteed loans during fiscal year 1959. Personnel to handle this workload was estimated at 1,750 at a total cost of \$11,039,642.

I requested the Veterans' Administration to furnish the committee with an estimate of the additional personnel that would be required in the event Congress passed legislation to stimulate veterans' housing. I feel confident that the President will favorably consider the emergency housing bill, S. 3418, and believe that the House must act now while their appropriation is under consideration to provide the Veterans' Administration with sufficient funds to handle an increase in the activities of the veterans' home loan program.

If no action is taken and the budget is approved based on only 55,000 loans, it will defeat the purpose of the emergency housing bill as builders, lenders, and veterans will be unable to have their applications processed through the

Veterans' Administration due to the lack of personnel.

I have been informed by the Veterans' Administration that they have sufficient funds on hand to handle an increase in activities for the remaining part of fiscal year 1958.

In addition to the increase in the activities of the guaranteed loans, the emergency housing legislation extended the Veterans' Administration direct loan program and appropriates \$150 million for each of the 2 years of this extension. It is estimated that the Veterans' Administration will make 350,000 guaranteed or direct loans during fiscal year 1959, which will require an increase in personnel in the loan guaranty division from 1,750 to 2,645, or an additional 895 employees. The cost of the additional employees will be \$5,643,870.

In view of the foregoing, I urge action at this time to increase the estimated Veterans' Administration budget for fiscal year 1959 in the amount of \$5,643,870, this amount to be earmarked for loan guaranty operations.

Mr. VURSELL. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. There being no further requests for time, the Clerk will read.

The Clerk read as follows:

*Be it enacted, etc.,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, namely:

Mr. TABER. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] A quorum is not present.

The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names.

[Roll No. 31]

Albert	Davis, Tenn.	Moulder
Allen, Calif.	Dies	Passman
Andersen,	Diggs	Powell
H. Carl	Dorn, S. C.	Radwan
Barden	Engle	Rains
Baring	Gordon	Rivers
Barrett	Grant	St. George
Bolton	Gwinn	Scott, Pa.
Broomfield	Hébert	Sieminski
Buckley	Hollifield	Taylor
Burdick	James	Teague, Tex.
Chiperfield	Kean	Thompson, La.
Clark	Kitchin	Willis
Colmer	Magnuson	
Cooley	Morrison	

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IKARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill, H. R. 11574, and finding itself without a quorum, he had directed the roll to be called, when 391 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

INVESTIGATION OF UNITED STATES CITIZENS FOR EMPLOYMENT BY INTERNATIONAL ORGANIZATIONS

For expenses necessary to carry out the provisions of Executive Order No. 10422 of January 9, 1953, as amended, prescribing procedures for making available to the Secretary General of the United Nations, and the executive heads of other international organizations, certain information concerning United States citizens employed, or being considered for employment by such organizations, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55 a), \$350,000: *Provided*, That this appropriation shall be available for advances or reimbursements to the applicable appropriations or funds of the Civil Service Commission and the Federal Bureau of Investigation for expenses incurred by such agencies under said Executive order: *Provided further*, That members of the International Organizations Employees Loyalty Board may be paid actual transportation expenses, and per diem in lieu of subsistence authorized by the Travel Expense Act of 1949, as amended, while traveling on official business away from their homes or regular places of business, including periods while en route to and from and at the place where their services are to be performed: *Provided further*, That nothing in sections 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U. S. C. 99) shall be deemed to apply to any person because of appointment for part-time or intermittent service as a member of the International Organizations Employees Loyalty Board in the Civil Service Commission as established by Executive Order 10422, dated January 9, 1953, as amended.

Mr. MATTHEWS. Mr. Chairman, I move to strike out the last word. I take this time to talk about the proposed neuropsychiatric hospital for my home State of Florida to be located in Gainesville, Fla. Each year since I have been in Congress I have attempted, so far unsuccessfully, to get action on this proposed hospital. I should like to review the history of this fight in some detail because I think this proposed hospital is most deserving, and in fact, is in a category by itself.

Resolution 190, adopted by the Federal Board of Hospitalization on October 3, 1945, and approved by the President on October 16, 1945, included the first recommendation regarding the construction of a 1,000-bed neuropsychiatric hospital at Gainesville, Fla. This resolution stated that the authority permitted only tentative selection of a site but that the Veterans' Administration was to submit to the Federal Board of Hospitalization for consideration and recommendation to the President a request for authorization to proceed with acquisition of the present Gainesville site. This authorization was granted through Resolution 259, adopted by the Federal Board of Hospitalization on August 15, 1946, and approved by the President on August 26, 1946.

Funds were provided by Public Law 49, Public Law 269, Public Law 419, and Public Law 334, 79th Congress, for the construction of 76 new hospitals, and the Gainesville hospital was included in this group. A memorandum dated Au-

gust 2, 1946, from the Director, Bureau of the Budget, to the President listed the 76 new hospitals for which the Veterans' Administration was authorized to initiate construction and to expend funds for the liquidation of the obligations in connection therewith. The proposed new hospital for Gainesville was included among the 23 new hospitals eliminated in the cutback authorized later by President Truman. Before the cutback had been authorized, however, the architectural and engineering firm of Bail, Horton & Associates, of Fort Myers, Fla., completed the design of a VA hospital in Gainesville, Fla., under the direction of the VA neuro-psychiatric design section of the Jacksonville District Office, Corps of Engineers, United States Army, and was about to invite construction bids and award a construction contract when President Truman suspended the construction of the 23 hospitals, including the one at Gainesville. It should be pointed out that total Federal and local expenditures before the cutback was authorized amounted to nearly a million dollars. The site was acquired, the sewage system was laid out, and as stated, the complete architectural designs had been drawn. There is thus an investment of \$1 million that has been made and may I emphasize that this investment was made in good faith on the part of the community of Gainesville, Fla., which gladly in cooperation with Alachua County, carried out all of its obligations in connection with the acquisition of the land site and other details.

In June 1949, the Joint Committee of the House and Senate on Veterans' Affairs conducted hearings on each of the suspended hospitals and the committee unanimously included the Gainesville Hospital among 14 of the suspended projects on which immediate construction was recommended. Unfortunately, the pressure of other matters prevented this recommendation from coming before the House and Senate for action. Subsequent attempts to persuade President Truman to rescind the suspension of the Gainesville neuropsychiatric hospital were unsuccessful.

In the fall of 1952, the Florida delegation, under the coordination of Congressman BENNETT, who at that time represented the district which includes Gainesville, Fla., with interested citizens from Florida, appeared before General Gray to ask him as Administrator of Veterans' Affairs, to remove the Gainesville, Fla., neuropsychiatric hospital from his list of excess sites that he had declared surplus to the General Services Administration. General Gray agreed to do this.

On October 20, 1953, I appeared with many interested citizens from Florida and members of the Florida delegation before the Veterans' Administration officials, and before representatives of the Director of the Bureau of the Budget, to ask that funds for building the hospital be included in the 1955 budget. Mr. Higley, at that time the Administrator of Veterans' Affairs, and Admiral Boone, the Chief Medical Director, were both present at this conference. This effort was unsuccessful.

In February 1954 the VA declared all of the former sites that were still remaining and which had been acquired under Resolution No. 190, adopted by the Federal Board of Hospitalization on October 3, 1945, to which I have previously referred, as excess to their needs. This included the Gainesville site, and it should be stressed that there were 16 altogether. The Florida delegation joined with me in a letter to Administrator Higley protesting the declaration of the Gainesville site as excess. Despite this protest, the Administrator of Veterans' Affairs declared the Gainesville site and the other 15 sites throughout the country as excess.

On March 2, 1954, I appeared before the Subcommittee on Appropriations for Independent Offices of the House, whose chairman was the Honorable John Phillips. It was my information that this particular subcommittee had suggested to the Administrator of Veterans' Affairs that he declare all of these hospital sites excess. The subcommittee gave me a good hearing, and seemed sympathetic with our problem in Florida, but no action was taken.

On March 3, 1954, I appeared before the House Committee on Veterans' Affairs and requested that committee to write both Mr. Higley, the VA Administrator, and to the Director of the General Services Administration, where the authority to dispose of the Gainesville site resided, to ask both Departments to do nothing at all about the disposition of the Gainesville, Fla., site until our Veterans' Affairs Committee had looked into the hospital program. Later the committee unanimously passed a resolution to that effect.

On March 15, 16, and 19, 1954, the Subcommittee on Hospitals of the House Committee on Veterans' Affairs held hearings concerning the disposition of all of the 16 hospital sites that had been declared surplus. Each hospital site was considered objectively. Some of the sites were in critical defense areas; others were no longer needed because of varying reasons. The hearings brought out to the inescapable fact that the Gainesville, Fla., neuropsychiatric site was the only one of the 16 that presented a different problem from all of the others because of the big neuropsychiatric waiting list of non-service-connected veterans in Florida, because of the limited number of hospital beds for service-connected veterans in Florida, and the rapid increase of Florida's population.

On the recommendation of the Hospital Subcommittee, the full Committee on Veterans' Affairs on March 24, 1954, passed a resolution which specified, among other things—

Therefore be it

*Resolved*, That the Administrator of Veterans' Affairs be requested to reserve the hospital site at Gainesville, Fla., for 5 years from the date of approval of this resolution, and that no further action be taken by the Veterans' Administration to dispose of this site prior to the expiration of this 5-year period; and be it further

*Resolved*, That the Administrator of General Services Administration, be requested to return to the custody and control of the Veterans' Administration said site at Gainesville, Fla.; and be it further

*Resolved*, That the Committee on Veterans' Affairs interposes no objection to the disposal of the remaining 15 sites in accordance with existing law.

On April 10, 1954, the VA Administrator requested General Services Administration to return custody and control of the Gainesville, Fla., site to the Veterans' Administration.

On May 20, 1954, the General Services Administration, Surplus Real Property Branch, returned custody and control of the Veterans' Administration hospital site at Gainesville, Fla., to the Veterans' Administration.

On January 10, 1955, I reintroduced legislation in the 84th Congress to provide for a Veterans' Administration neuro-psychiatric hospital of 1,000 beds at Gainesville, Fla.—H. R. 1820. Both Senators HOLLAND and SMATHERS of Florida, introduced identical bills in the Senate at that time.

On February 28, 1955, the Florida delegation at a luncheon meeting unanimously approved the proposed neuropsychiatric hospital for Gainesville.

On March 1, 1955, the Subcommittee on Hospitals of the House Committee on Veterans' Affairs, gave me a lengthy hearing on my bill, H. R. 1820. On May 23, 1955, the Honorable OLIN E. TEAGUE, chairman of the House Committee on Veterans' Affairs, inspected the proposed neuropsychiatric site at Gainesville. On November 5, 1955, the late Honorable George S. Long, chairman of the Hospital Subcommittee of the House Committee on Veterans' Affairs, and committee member, the Honorable JAMES A. HALEY, visited the proposed site of the neuropsychiatric hospital at Gainesville, and the University of Florida's health center, located nearby.

On April 18, 1956, the Hospital Subcommittee of the Committee on Veterans' Affairs reported H. R. 1820, but no subsequent action was taken by the House.

On June 21, 1956, Senators HOLLAND and SMATHERS, of Florida, along with myself and many citizens of Florida, the Honorable BRYAN DORN, of South Carolina, a member of the House Committee on Veterans' Affairs and ranking majority member of that distinguished committee, met with Mr. Higley the Administrator of Veterans' Affairs, and other VA officials, and requested that they ask the Bureau of the Budget to build the neuropsychiatric hospital at Gainesville, Fla. We received a sympathetic hearing, but obviously the Bureau of the Budget did not include funds for the hospital in fiscal 1957.

On January 5, 1957, I introduced my bill, H. R. 1958, to provide for a Veterans' Administration neuro-psychiatric hospital of 1,000 beds at Gainesville, Fla. I have constantly talked with members of the great House Committee on Veterans Affairs, members of the Appropriations Committee dealing with independent offices, and just several weeks ago I had a conference with the present Administrator of Veterans Affairs, the Honorable Sumner Whittier, about this project. Mr. Chairman, the great veterans' organizations of Florida, the Florida congressional delegation, State,

county, and local officials of Florida, have all enthusiastically recommended this needed neuro-psychiatric hospital at Gainesville, Fla. I believe it is a moral obligation resting upon Congress to provide funds to go ahead to build this hospital. Florida is in a very unique position as far as geography is concerned. We are a great peninsula, bounded by water on three sides, and we find that due to the relatively few hospital beds in Florida, many of our veterans are travelling from 500 to 1,000 miles to secure hospitalization. The latest information that I have is that more than 1,000 of our veterans with service-connected mental disabilities are in hospitals outside of the State. My file is filled with letters from parents of these boys expressing the hope that Florida can have its own neuropsychiatric hospital because it is impossible for them on account of great distances to visit their sons. We, who are familiar with the problems of mental disease know that visits by loved ones are one of the most important elements in the recovery of a patient. Mr. Chairman, the total VA hospital beds in General Medical and Services in Florida as of 1957 were 1,320. The total neuropsychiatric beds were 107. This, for a veterans population well over 500,000. And mind you, this number is increasing very rapidly each year. In fact, in June of 1946 there were only 250,000 year-round veterans in Florida, and we had approximately the same number of hospital beds to care for them that we must now utilize in caring for over twice that number. In 1957 the ratio of veterans per bed in VA hospitals, as far as the national average is concerned, was 183 to 1, but in Florida it was 388 to 1. The ratio of veterans per neuropsychiatric bed in VA hospitals as far as the national average was concerned was 396 to 1, but in Florida it was 3,862 to 1. In other words, the neuro-psychiatric veterans in Florida receive approximately one-tenth of the consideration that the veterans throughout the Nation receive.

It is as fair and logical, Mr. Chairman, to ask a veteran suffering from a neuropsychiatric illness to go from Chicago to New York for treatment as it is to ask one of our veterans in the southern part of Florida to go from that distance to one of the hospitals in another State.

I want to quote from an address by the Honorable Harvey V. Higley, Administrator of Veterans Affairs, before the 39th Annual Convention of the American Legion, Atlantic City, N. J., September 17, 1957:

At present, all service-connected cases are cared for immediately, but we do have 22,000 nonservice-connected veterans on our waiting list, of whom 17,000 are suffering from mental illness. Congress has never said that the VA should hospitalize the nonservice-connected. Rather, it has said that if VA has a bed available, and if the veteran cannot pay for hospitalization elsewhere, then and only then is he to be hospitalized by the VA.

As a result, there are some who have concluded that since VA already is caring for all the service-connected, and since any new beds would be for the care of the nonservice-connected, no new hospitals should be built. Exempt from this thinking, however, are

the two new 1,000-bed mental hospitals to be built under VA's post-World War II construction program, and the six 500-bed hospitals to be built under our replacement program.

So long as a definite policy is lacking, requests for new and additional beds will receive little if any consideration.

I suggested more than a year ago that we settle on a level of 125,000 beds \* \* \* a plateau from which we could work upward or downward, as necessary. So far, I have had but little success in selling it.

Realistically, how would this plan work, in all probability?

Well, if our load of tuberculosis cases continues to decline, we perhaps can close down 3,906 TB beds during the next 3 years. These beds are not located where they could be used for the mentally ill or for general medical and surgical patients.

Just for argument's sake, if nonservice-connected veterans are to be cared for, I want to call your attention to most difficult situations developing in Florida, southern Texas, and southern California \* \* \* because of tremendous increases in population.

For many reasons \* \* \* including large waiting lists and increasingly heavy veterans population \* \* \* we should plan a 1,000-bed mental hospital in Gainesville, Fla. We believe we could staff such a hospital in Florida, contrary to our situation elsewhere.

In other words, Mr. Chairman, the Administrator of Veterans' Affairs, wanted this hospital in September of 1957, and I have every reason to believe that our present Administrator, the Honorable Sumner Whittier, wants this hospital. Gainesville, Fla., where the proposed hospital would be built, is located near a great medical school. I can well understand the reasons why new Veterans' Administration hospitals should be built near medical schools. One reason the medical school is located at Gainesville, Fla., is because the citizens were told that the location of the school there would enhance the possibilities of getting a VA hospital.

Mr. Chairman, it is my feeling that everyone wants this hospital about which I am talking but the Bureau of the Budget. I am going to urge the Bureau of the Budget again to include the money for building this hospital in the budget for fiscal 1959. I am going to plead with the House Committee on Veterans' Affairs to continue their efforts to help with this needed project—and I want at this time to pay tribute to the members of that great committee for their interest and for their help. I am going to appear again before this great Subcommittee on Appropriations to ask for this money to build the Gainesville neuropsychiatric hospital.

Mr. Chairman, this is, it seems to me, a project—let me repeat again—in a class by itself. In the first place, it is the only one of the existing hospital sites authorized by President Truman, and later deleted from the list of needed projects. All of the other sites have been put to other uses. The proposed site for the hospital at Gainesville, Fla., is not in a sensitive defense area, and yet it is completely convenient for the major population areas of Florida. In fact, the hospital site is not far from the exact geographical center of the State of Florida. On the basis of objectivity, the

Veterans' Administration has stated that they want to build this hospital. The number of hospital beds in Florida is scandalously below the number of hospital beds provided for veterans in other States of the Union. I recognize that it is impossible to build a hospital in every locality, and yet from the standpoint of transportation and overall costs, surely it does not make sense to continue making the veterans of Florida, one of the most rapidly growing States in the Union, go a thousand miles or more for hospital treatment. The people of Florida, the veterans' organizations, want this hospital, and I intend to do everything in the world I can to continue fighting for this institution. I shall be most grateful for the cooperation of my colleagues as I continue this effort.

(Mr. BYRD asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BYRD. Mr. Chairman, my remarks are directed to page 11 of the bill and I wish to state my support of the appropriation of \$177,255,000 which the committee has included for financing construction of 66 public-building projects by direct appropriation. All projects have been approved by the Public Works Committees and among these projects are six in West Virginia. The six West Virginia projects are located at Charleston, Huntington, Martinsburg, Parkersburg, Roncove, and Mount Hope.

I supported the Public Buildings Purchase Contract Act of 1954, but it has been over 3½ years since that legislation was enacted and only 1 building has been built. I believe, therefore, that in order to expedite the construction of these needed buildings it is necessary that the Congress provide for such construction by the direct-appropriations method, and that is what H. R. 11574 does. The Charleston project is located in my congressional district. A new Federal building is to be constructed in the State capital, and it is anticipated that this building will house the Federal family of agencies and, at the same time, provide suitable facilities for the functioning of the Federal court. The building which is presently being used is greatly outdated and many of the Federal agencies are scattered through the city in various rental areas. There has been a growing need for years for a Federal building to provide office space for a courtroom and the Federal agencies.

The merit claimed for the lease-purchase program was that it would channel private investments into the Federal building plans. The GSA Administrator, Franklin Floete, has admitted that private funds have not become available for the needed buildings. It seems clear that some other method must be adopted if buildings are to be erected in the near future to accommodate the growing needs for such buildings throughout the country. Moreover, had the plan proved to be a success, the buildings would have cost the taxpayers much more, and at a time when the taxpayers are yearning for economy in government. In fact, we are told in the committee report that the General Ac-

counting Office prepared an analysis of the comparable costs of constructing buildings by direct appropriation and lease-purchase. The study indicates that it costs at least \$1.64 under lease-purchase to buy the same amount of building as \$1 does by direct appropriation. The lease purchase cost of the 66 projects would amount to \$348,435,950, whereas the direct appropriation cost will be \$177,255,000. The lease-purchase cost of the Charleston project alone would be \$7,187,090, whereas the direct appropriation cost would be \$3,670,000—a saving of \$3,517,090. The total cost of the 6 West Virginia projects under the lease-purchase program would be \$21,578,980, whereas the direct appropriations cost would be \$11,897,000, a saving to the taxpayers of \$9,681,980.

It is my understanding that the General Services Administration may yet proceed to let the contracts for the 6 West Virginia projects under the lease-purchase program until June 30 of this year. If, however, by July 1, no contracts have been let, the projects would be constructed by the appropriations included in the bill which we are now discussing.

Mr. Chairman, my main interest is to get the buildings built, whatever the method. The passage of this bill seems to insure the construction of these needed Federal buildings, if not by lease-purchase then certainly by direct appropriations.

(Mr. MATTHEWS asked and was given permission to revise and extend his remarks.)

The Clerk read as follows:

**PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND**

For financing the liability of the United States, created by the act approved May 22, 1920, and acts amendatory thereof (5 U. S. C., ch. 30), \$589 million, which amount shall be placed to the credit of the civil-service retirement and disability fund: *Provided*, That no part of the appropriations herein made and no part of the moneys now or hereafter contained in the civil-service retirement and disability fund shall be applied toward the payment of any increase in annuity benefits or any new annuity benefits under the act approved May 22, 1920, and acts amendatory thereof (5 U. S. C., ch. 30) which may be authorized by amendment to said acts after the enactment of this act until and unless an appropriation is made to such fund in an amount estimated by the Civil Service Commission to be sufficient to prevent an immediate increase in the unfunded accrued liability of said fund.

Mr. TABER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. TABER: On page 4, strike out line 6 and all that follows down to the word "no" in line 13 on page 4, and capitalize the letter "N" in the word "no."

Mr. TABER. Mr. Chairman, I offer this amendment to strike out an appropriation of \$589 million which was not budgeted.

The situation is this: At the present time there is an annual intake of money into this retirement fund amounting to \$605 million paid by the Government employees and another item of \$605 million paid by the Government. In addition to that there is \$214 million which

is paid by the Government as interest upon \$7.5 billion which is in the fund now and loaned to the Government.

Now, there has been a lot of talk about there being a shortage of funds.

This shows that they are taking in now twice as much as they are paying out. Frankly, I do not believe they are going to have a shortage when they get through. There have been a few times when a smaller sum than the regular contribution was appropriated. There has been a few times when there was more appropriated. Last year there was quite an item and on top of that in every single appropriation bill there is an item for this purpose. So it seems to me that with the present situation of the country we should not get into the idea of appropriating \$589 million out of the Treasury for the purpose of putting more money into this fund. It is not bankrupt. It is guaranteed by the Government, and if the Government is good—and I believe it is—there is no shortage and there is no situation that requires this action. The trouble with it is that we have already run an enormous number of bills over the budget estimates and we are getting to the point where it is going to be necessary, if we have a few more items like this, to have another extension of the debt limit. I do not want to see another extension of the debt limit and I do not believe you want to see another extension of the debt limit before this Congress adjourns.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. OSTERTAG. Is it not true that the interest that will be paid into the fund this year, plus the employees' contribution of \$650 million plus the direct appropriation of \$650 million that is being made will total about \$1.5 billion as the amount to go into the fund this year; and that deducting the payments that will be made it will leave \$700 million in the fund this year over and above the \$802 million paid out in benefits?

Mr. TABER. In the neighborhood of \$750 million.

Mr. OSTERTAG. And if you add the \$589 million that is in the bill, that will amount to \$1,200,000,000 that will go into the fund.

Mr. TABER. Almost \$1.5 billion.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. JONAS. Is it not true that this fund is no more bankrupt than the Government of the United States is bankrupt?

Mr. TABER. That is exactly correct.

Mr. JONAS. When they speak of it as being bankrupt they might just as well say that the Federal Government is bankrupt, because the full faith and credit of the Government is behind this obligation, just as it is behind the obligation to pay veterans' pensions and retirement pay for retired members of the military service.

Mr. TABER. That is correct. Mr. Chairman, I hope this amendment will be adopted.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate upon

this amendment and all amendments thereto close in 30 minutes, the last 5 minutes to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, as the gentleman from New York [Mr. TABER] has so ably said, we are confronted here today with voting on an appropriation which was added by the committee in the amount of \$589 million. It was not requested by the budget and was not in the budget as it was submitted to the Congress. This means that we are adding \$589 million to the budget this year, and I doubt that it is a good time to be raising the budget unnecessarily.

What does this appropriation do? It seems to me that in view of the fact each appropriation bill carries with it an appropriate amount to cover the Federal contribution which is in excess of \$650 million, and that the employees of the Federal Government are likewise contributing over \$650 million annually, coupled with the interest on the money borrowed by the Federal Government from the fund which amounts to over \$214 million, over \$1,500,000,000 will have been paid into the fund this next year.

It is interesting to note that this fund, which now totals \$7.5 billion, will reach the total sum of \$13 billion by 1972. It will not be until 1972 that the disbursements will exceed the income. Therefore there is no need at this time to add the \$589 million to this bill. I hope the amendment offered by the gentleman from New York [Mr. TABER] will prevail.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from New York [Mr. TABER].

As the Members know, the House Post Office and Civil Service Committee, of which I have the honor of being chairman, has charge of all retirement legislation in the House and I am intensely interested in the solvency of this retirement fund. For several years I have been deeply concerned about the condition of this fund. During the past 10 years the amount of the insolvency of this fund has risen over \$10 billion. In 1953, the fund was insolvent to the tune of \$9,912,000,000. In 1954, the fund was insolvent to the tune of \$10,583,000,000. In 1955, the fund was insolvent to the tune of \$11,971,000,000.

In 1956, the fund was insolvent to the tune of \$13,838,000,000.

In 1957, last year, the insolvency had grown to \$17,937,000,000.

The Board of Actuaries which has charge of this fund, of which Mr. George S. Buck is chairman, says that on June 30, 1958, this year, the insolvency of the fund will be \$19,360,000,000. Why is this fund becoming more and more insolvent? It is because the Congress for the last several years has liberalized this

fund four different times, increasing the benefits to the annuitants without making contributions to take care of the additional costs. The Board of Actuaries says it will take a 19.31-percent appropriation a year of the total payroll to take care of the costs. Right now the Government contributes 6½ percent and the employees contribute 6½ percent. There is 6.31 percent which is not taken care of each year, therefore, the insolvency continues to grow each year. It is not right or proper to continue this insolvency. Our former colleague Hon. Robert Ramspeck, when he was Chairman of the Civil Service Commission, appeared before our Committee on Post Office and Civil Service on many occasions and told us how concerned he was about the condition of this fund. He said Congress should put this fund in order. I appeal to you to let us go ahead and appropriate this money. Let us get started toward wiping out the insolvency of this fund. It cannot be done unless the Congress appropriates the extra percentage which is 6.31 percent of the total payroll in addition to the contributions of the Government and the employees of 6½ percent each year.

Mr. REES of Kansas. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. REES of Kansas. The employees during their employment in the Government have taken care of their share of the obligations; have they not?

Mr. MURRAY. That is correct, sir.

Mr. REES of Kansas. And the fault is on the part of the Congress in its failure to make this contribution; and there is more to be done if the legislation is approved.

Mr. MURRAY. The gentleman is entirely correct.

Mr. REES of Kansas. And this \$500 million, or whatever it is, is only a part of what the Congress owes the Government, that, is the fund; is that not correct?

Mr. MURRAY. Yes.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. HALLECK. I would like to understand the point that has just been made. Do I understand correctly that what the gentleman from Kansas has reference to is the action of the Congress in voting for proposals that bring about a heavier drain on the fund?

Mr. REES of Kansas. That is correct.

Mr. HALLECK. But the gentleman did not mean to say that the Congress was voting for its own personal advantage; is that correct?

Mr. REES of Kansas. That is correct.

Mr. HALLECK. I wanted to be sure about that. I would like to pose this question to the gentleman from Tennessee who is an able and conscientious legislator. May I say I am in support of this amendment. I dislike to find myself in disagreement with the gentleman, but it strikes me that if we indicate by this sort of action that instead of handling this fund the way we ought to that from time to time we will just vote funds out of the General Treasury to supplement the fund, then in truth and in fact the fund which should not exist.

Mr. REES of Kansas. I would say to the gentleman that there is no invitation attached to it at all. It is just our failure now to carry on and to go ahead and make appropriations after we agreed to do it.

Mr. HALLECK. Well, I understand that, but let me ask the gentleman this question. Do you not break down the resistance that otherwise is found here if you indicate a willingness to go ahead year after year and put money into the fund out of the General Treasury?

Mr. REES of Kansas. We have broken that resistance a long time ago. This is just making it worse.

Mr. HALLECK. That may be.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I yield.

Mr. GROSS. Would not the gentleman from Tennessee agree with me that we ought to appropriate each year for the normal cost plus the interest on this fund?

Mr. MURRAY. The gentleman is entirely correct.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, let us get clear in our minds what this fund is. This is the fund to pay the retirement benefits of all Federal employees. It is important that its integrity be preserved. Let me read to the House the question and answer of the gentleman from Illinois [Mr. VURSELL] and Mr. Irons. Mr. Irons is in charge of this fund for the Civil Service Commission. Before I do that I want to point out—take note—that the gentleman from Tennessee, the chairman of the Civil Service Committee, is opposed to this amendment. He is in favor of the appropriation. The gentleman from Kansas, the ranking member of the Committee on Civil Service, is opposed to this amendment. He is in favor of the appropriation. The gentleman from Iowa [Mr. Gross] is opposed to this amendment. He is in favor of this appropriation. They know how important this fund is. Let me read to you what the gentleman from Illinois [Mr. VURSELL] asked and what the answer was. I read from page 547 of the hearings:

Mr. VURSELL. That was in 1956. Now there has been some argument, when it was before the committee previously, that it probably would not be a good economic move to continue to pay the \$525 million that we once paid and skipped. I presume if there was any argument now, we would go into the fact that the fund is paying off at the present time.

And this is what will happen if this amendment is adopted:

Now how long will it continue, if we don't pay anything into the fund, before the fund is insolvent to take care of the debt of the retirees and their dependents?

How long will it continue if we did not pay anything into the fund?

That is what will happen if this amendment is adopted.

How long will it continue before the fund is insolvent to take care of the retirees and their dependents?

And this is what Mr. Irons said:

The income to the fund from employees and from the agencies is more than ade-

quate to take care of the disbursement from the fund for the calendar year. Our actuarial estimate is that if we keep on with our present method of taking 6½ percent from the employee's pay and matching 6½ percent from the Government, and adding to it the interest, at the rate our retirements are taking place, that this fund will grow from its present \$7½ billion to a little over \$13 billion, and ultimately—and by "ultimately," I mean about 1992 or 1993—the fund will be exhausted unless additional appropriations are made, unless the interest rate is raised, or unless the employees' contributions are increased, or unless fewer retirements than we expect take place.

This means that the fund will be exhausted by 1992, leaving a great many Federal employees to seek new retirement benefits from direct appropriations.

I asked Mr. Irons the vital question. I asked him, "What happens at the time the fund is exhausted? What will occur when the fund becomes exhausted in 1992? How do those who are under retirement get their benefits?"

He said, "We will have to get a direct appropriation at that time." I said, "How much will it be?" He said, "It will be between one-half and two billion dollars a year of annual appropriations."

Can you imagine the Congress at that time, faced with an exhausted fund and having to appropriate \$2 billion annually to take care of the retirement benefits from this fund? Will the Congress do so? It is always reticent in appropriating such a large sum.

The only thing that this appropriation of \$589 million does is to keep the fund current at the deficit level of \$18 billion. It does not lessen the deficit. If you do not appropriate this money, the deficit goes up from \$18 billion to \$18½ billion. Is it fiscal responsibility to let this lay? If the argument of the gentleman from New York is sound, that this is an obligation of the United States, why is it necessary for Federal employees to make any contributions? Why not say the whole fund is the obligation of the United States and it is not necessary to make any contribution? Obviously, the argument is not sound.

I ask that the amendment be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, I yield to the gentleman from Michigan [Mr. CEDERBERG].

Mr. CEDERBERG. Mr. Chairman, this is a very real and serious problem. I serve on the subcommittee handling retirement legislation on the legislative committee. We are faced with some very real and practical problems, as I see it. The other body has already passed legislation to increase the retirements for those who are presently on the rolls. We have coming before us next week legislation approved by our committee to do that very same thing. These are the simple facts: Those who are on the retirement rolls, including ourselves, are placed there on as nearly an actuarial basis as we possibly can be. However, the Congress has from time to time increased the annuities for those who have already retired, over and above that which they have actually earned during the time they have been

serving the Government. As a matter of fact, we have today approximately 10,000 people on the retirement rolls who are drawing more money under retirement than they received in salary when they were working for the Federal Government.

In view of that fact it is apparent that something has to be done.

I say to you, that next week we are going to be faced with some amendments here that are going to be very serious. We have those on retirement rolls who have retired after a certain number of years in the Government who are working full time in other occupations, yet while they are working full time in other occupations their annuities are being increased. Some who have been retired from the rolls and worked full time now draw social security also.

I say to you that we have to be very cautious and any increase for retirees who are presently on the rolls should be on the basis of need. No responsible person I am sure would want any faithful servant of the United States Government to be in need. I certainly am in favor of the bill that is soon to be reported out of our committee, but if we increase the amount of the retirement for those who are presently on the retirement rolls over and above what they have actually earned we have to make some kind of provision some place to pay it, because if we do not we are going to be faced with a very serious problem in the future.

This amendment is one that is going to have to be decided either now or some years later and we must decide as to the propriety of facing it now or in future years. I just want to call your attention to the fact that this matter will be on the floor for consideration next week, and we had better take a hard look in a thoughtful way, certainly making no unwise decisions, so that we do not place the fund in jeopardy in future years. We are custodians of this fund. This fund does not belong to the citizens of the United States, it does not belong to the Members of Congress, it belongs to the employees, and we as trustees of the fund had better not look at it from the political point of view but as good custodians and trustees for over 2 million employees and 300,000 presently on the retirement rolls.

Mr. CORBETT. Mr. Chairman, will the gentleman yield?

Mr. CEDERBERG. I yield.

Mr. CORBETT. Would it not be just as logical to eliminate payment by the employees into the fund as to eliminate the payment by the Government into the fund?

Mr. CEDERBERG. I am not sure I follow the gentleman's reasoning, but I do not see how the fund can be solvent if we refuse to pay into the fund.

The CHAIRMAN. The gentleman from Illinois [Mr. VURSELL] is recognized.

Mr. VURSELL. Mr. Chairman, the trouble with this whole matter is irresponsibility. Four or five times in almost as many years you have played politics with these annuities; you have raised them, and raised them, and you want the Federal Government to be sure that the annuities are paid.

I have taken this matter up with the Bureau of the Budget, Mr. Stans, and have a long statement here from him. I wish to read 1 or 2 paragraphs from his statement:

To imply that because it is not fully funded, the retirement fund is being somehow mismanaged and that it is bankrupt is to call into question the full faith and credit of the United States Government. The Retirement Act promises to make certain payments under specified conditions, and regardless of the size of the balance in the retirement fund at any particular time, these benefits will be paid because the promise to do so is backed by the full faith and credit of the Government. There are no conditions attached. It is a perfectly open and straightforward obligation.

While there are very strong reasons for full funding of private pension plans, these reasons do not apply in the case of the Civil Service Retirement System. The most important reason for full funding of private plans is to assure employees that they will receive the benefits they have earned even though the employer may go out of business. We have never thought it necessary to make provisions for the Federal Government going out of business.

There is no use letting your hearts bleed in this matter; it can be corrected in the legislation that is coming up; it can be corrected, and it should have been corrected prior to this time.

Here is the situation: You have \$650 million going into this fund paid by the Federal Government for the fiscal year 1959; you have \$650 million going into the fund paid by those who are working for the Government. You have \$214 million going into the fund from the Treasury of the United States as interest on the \$7.5 billion. In other words, we have \$1,547 million going into this fund in 1959 and we pay out only \$712 million.

Does that look like the fund is bankrupt? Is the fund as near bankrupt as the Federal Government that we are trying to make pay an extra \$589 million in this particular bill?

Members on both sides of the aisle should be concerned about the present economic condition of the country. You talk about it but what are you going to do about it? Many Members are thinking of appropriating additional funds, billions of dollars, to make jobs for people. The Bureau of the Budget, yes, the Civil Service Commission, feels that this fund is perfectly safe in its present condition notwithstanding what the gentleman from Illinois has said.

The facts are that they go to work and say that this would not reduce by 1 cent any benefits, but it would add additional cost to the Government to appropriate this \$589 million.

Mr. Chairman, this fund is no sounder than the Government. If you want to bankrupt the Government you can bankrupt the Government, you can bankrupt the fund, but you cannot ever bankrupt the fund unless you bankrupt the Government. Adding this extra appropriation of \$589 million is a step in the direction of bankrupting the Government.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, may I say to the gentleman from Michigan [Mr. CEDERBERG] he made a very intelli-

gent and telling argument and I congratulate him.

Mr. Chairman, I just want to talk a little common horseshoe with my colleagues for about 5 minutes. I want to talk about fiscal responsibility, and that is our job here. This fund is insolvent, and no one has denied it. We have had the best actuaries in the country we could get, and they testified that this fund now, not 3 years from now but now, is \$19 billion insolvent. Every month each civil-service employee has 6½ percent taken out of his pay, yet the fund is \$19 billion short. In the last 5 years this fund has increased its insolvency by \$10 billion. That is in only 5 years. There is only \$8.2 billion in the fund now.

We talk about the fact the fund will be exhausted in 12, 15, or 17 years from now. I am going to talk sense to you. We have depleted it by \$10 billion in the last 5 years. There is nothing partisan about this thing; we are all in the same boat on both sides of the aisle.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. Not now. The gentleman does not question that statement, does he?

Mr. TABER. I would like to have the gentleman tell how it ever became that way.

Mr. THOMAS. I am not being partisan. Who knows but what in the next 5 or 6 years we will send it into bankruptcy to the tune of another \$10 billion? Then where will the civil-service employees be?

Mr. Chairman, are we not ducking our responsibility when we fail to put in this \$589 million? That is not the committee's figure. The present Chairman of the Civil Service Commission was one of our colleagues, a very capable man and he served here in the House with us. I refer to Mr. Ellsworth.

He asked the Bureau of the Budget for this \$589 million. Whom did he follow as Chairman of the Commission? Another fine man, Chairman Philip Young, who resigned about a year ago and is now our Ambassador to Luxembourg. He asked the Bureau of the Budget for about \$541 million.

Now, the Bureau of the Budget in denying those funds is crippling the solvency of this fund, gentlemen, and we are denying that great principle of fiscal responsibility when we do not come up with this money. There cannot be much argument about it, gentlemen. If we put it in, that is not going to reduce that \$19 billion deficit figure. Do not misunderstand me. No, it will not reduce it \$589 million; it will just keep it from going up. This thing is going to skyrocket and skyrocket and we will wake up in another 10 or 12 years and there will not be a dime in the fund. We will then have to appropriate money by the billions if we do not appropriate for the fund now. Oh, what a temptation it will be then to say "Let us rub it out and start all over."

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Indiana.

Mr. HALLECK. I want to commend the gentleman for speaking about fiscal responsibility. That is fine, but the thing bothering me is that if the Congress is ready to enact legislation taking money out of the general fund and putting it into this particular fund, then it is an open invitation to further bankruptcy.

Mr. THOMAS. How are you ever going to put it on an even keel without taking it out of the general fund? It cannot be done in any other way.

Mr. Chairman, we are only doing the right and honorable thing.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from New York.

Mr. TABER. Is it not true that half of it should be charged to the employees?

Mr. THOMAS. The Federal Government has not done its job. Let us do our job. Here is the time to do it now.

Mr. Chairman, I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. TABER].

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 47, noes 128.

So the amendment was rejected.

Mr. HYDE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HYDE: On page 4, line 12, after the word "fund" strike out the colon and strike out the remainder of line 12 and all of lines 13 through 23, and insert a period.

(Mr. HYDE asked and was given permission to revise and extend his remarks.)

Mr. HYDE. Mr. Chairman, I fear that if the language which my amendment seeks to delete stays in the bill it will be rather like a Mickey Finn served at the supper table, the effect of which will be to knock out the participants before they have had a chance to sup.

The language which my amendment seeks to delete provides that no part of this particular money that you are now appropriating can be used to pay any increase in the retirement fund unless another appropriation is made in such an amount sufficient to prevent any increase in the unfunded accrued liability of the fund.

I know that this language was offered with good intent and I have no more desire than anyone else to see any increase in the unfunded liability of this fund. However, I am afraid the gentlemen who drafted this proviso have overlooked a possible effect. Bear in mind that the chairman of the committee said earlier today that we need have no fear of this; that when the retirement bill which is due to be heard next week is passed, their committee will be ready, willing, and able to appropriate enough money to meet that increase. But under the language of this proviso, should it happen that the unfunded accrued liability increases for any reason—for any reason at all; suppose there is more of a demand on the fund than has been anticipated—you are liable to cause an increase in that unfunded liability. So

no matter how much the committee attempts to meet the obligation of this retirement bill which will be before us next week, the Treasury and the Civil Service Commission might well find themselves in the position of not being able to pay whatever increase in retirement is provided for in the bill next week.

Mr. Chairman, I ask the members of the committee whether or not next week you want to vote for a provisional increase; that is, an increase provided nothing happens in the future that will cause an increase in the unfunded accrued liability.

Mr. Chairman, you have just listened to a debate in which it is estimated that this unfunded accrued liability might increase—oh, up to billions of dollars in the next few years. If that occurs and you have this provision in the bill, you may not be able to pay any increase in retirement which you expect to pass next week. I am sure that you do not want to say to the thousands of retired Government employees, "Oh, we are going to give it to you with this hand, but if you reach for it we are going to slap it out." That is the effect of this proviso.

Mr. BALDWIN. Mr. Chairman, will the gentleman yield?

Mr. HYDE. I yield to the gentleman from California.

Mr. BALDWIN. Mr. Chairman, I should like to commend the gentleman for submitting this amendment to the House at this time. As I understand it, this proviso would sabotage the right of the present retired employees to receive any increase in their retirement annuities. It is evident from the action already taken by the other body and from the action already taken by the Committee on the Post Office and Civil Service that we are moving toward such a bill to provide an increase, at least recognize the increase in the cost of living that these retired employees have already encountered. This proviso would just jeopardize their right to receive any additional compensation whatsoever.

Mr. HYDE. Mr. Chairman, I will say to the gentleman that I am afraid that that is so. I know it is not the intention of the committee. I know the committee intends to appropriate enough money to meet any increase in cost which we might vote next week.

However, the language of this proviso is such that it has a hidden trap in it which may well prevent the payment of any increase in retirements made by this bill which we expect to act on next week.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 30 minutes, with 5 minutes reserved to the gentleman from Tennessee [Mr. MURRAY] and 5 minutes to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia [Mr. BROYHILL].

Mr. BROYHILL. Mr. Chairman, I rise in support of this amendment because I believe the language which is now contained in this appropriation bill is improper and unnecessary, and would be somewhat damaging to legislation pending to benefit retired Federal employees.

It is improper, of course, because it is legislation on an appropriation bill. If the Appropriations Committee has sufficient time and is better qualified to act on legislation affecting post office and civil service matters, then it would be in the interest of economy and efficiency to abandon the proper legislative committee.

It is not necessary because in pending legislation the Post Office and Civil Service Committee has provided language that would require that these funds be appropriated or the law itself would expire. Public Law 555 back in the 82d Congress provided for a temporary increase for annuitants, but if the Appropriations Committee did not provide the appropriations within a 1 year's period that legislation would expire.

In Public Law 854 in the 84th Congress passed in 1956 we provided that matching funds be placed in this retirement fund by the agencies every year, and that the Civil Service Commission submit an estimate to the Bureau of the Budget as to what the cost would be, if any, of keeping those funds actuarially sound.

I appreciate the concern which has been expressed about the actuarial soundness of the retirement funds, but that has already been pretty well debated. I do not think any of us is too much worried about those funds becoming bankrupt. If there is some deficiency, and there is some when you consider it on an actuarial basis, it is because Congress in the past did not comply with its obligation to put a fair amount of money into those funds.

Alarming headlines appear in the daily papers alleging that the United States civil service retirement and disability fund is in precarious condition. The press reports are based upon statements made by two Members of Congress before the House Rules Committee on March 24. As a matter of fact, the fund is a long, long way from being in a precarious condition. The fund has successfully operated for over 37 years. It started in 1920 from zero and today has a balance in excess of \$7,800,000,000 invested in Government securities.

The statements indicating the fund is in a precarious condition are based upon an unrealistic technical actuarial assumption and computation showing an actuarial deficiency, or so-called unfunded liability, at the present time of \$19 billion. This unfunded liability does not in itself establish that the fund is in a precarious condition. Many other factors must be taken into consideration, such as the assured future income of the fund. In 1921 the unfunded liability was 22 times the assets in the fund; in 1940 the ratio was 5 to 1 and today it is about 2½ to 1. Because of the efficient management of the fund by Congress, this decided financial improvement was accomplished. An extremely important action of Congress to improve

the financial condition of the fund was the passage of Public Law 854 of the 84th Congress, increasing the salary deductions of employees from 6 to 6½ percent and making it mandatory that the Government annually match the contributions of the employees. This produced a fixed income to the fund of 13 percent of the payroll or about \$1,300,000,000 per year. Additional assured annual income results from the interest on the balance of \$7,800,000,000 invested in Government bonds. This income varies from year to year. In 1957 it amounted to \$220 million.

That the income of the fund far exceeds the disbursements is established by the last annual report of the Civil Service Commission covering the fiscal year 1957, which shows income from contributions and interest amounting to \$1,391,000,000. All disbursements for this period covering annuities to retired employees and their survivors plus refunds and death claims amounted to \$594 million. The excess of receipts over disbursements of \$797 million in that year increased the balance in the fund from \$6,708,000,000 to \$7,512,000,000. At the close of this fiscal year, June 30, 1958, the excess of receipts over disbursements will be about \$800 million, and it will bring the new balance in the fund to about \$8,300,000,000.

Does this big annual increase in the assets of the fund indicate a precarious condition at this time?

If it is not a precarious condition at present when will it be in such a condition?

To determine that answer we must estimate the future income and the future disbursements of the fund. As a basis of such an estimate, we have the financial statements for the past 37 years. It is not difficult to estimate the receipts and disbursements for the next 37 years based upon assured income and probable expenses. As no one can predict the increase or decrease in employees during the next 37 years it is fair to base such an estimate on the assumption that the present payroll will remain fairly constant, and that the fund will earn 3 percent interest on the yearly balance. On that basis the fund will steadily increase. The estimate indicates that it will grow during the next 37 years to about \$15 billion.

The statement that the fund is in precarious condition is based upon the unrealistic assumption of actuaries that tomorrow or on a certain day all civil-service employees will either retire, die, or resign and withdraw from the fund their contributions. Of course, such a situation would develop only if our Government does not continue to exist. I prefer to believe that our Government will exist into perpetuity.

I challenge anyone to produce evidence that this fund will be unable to meet in full all of its obligations on the due date in all future years. I specify estimates based upon actual receipts and disbursements, not on technical actuarial assumptions based upon a dream that our Government will end tomorrow or at the end of this year, or on some other

future date, and then have to pay all the obligations of the fund at once. Such a dream may be made by actuaries, but not by experienced businessmen who realize that when the annual receipts of a business exceed the annual disbursements that the business is sound. For 37 years the receipts of this fund have exceeded the disbursements, and guided by able Members of Congress they will continue to do so. For 37 years a fallacy has existed on the Hill and in the Government that this fund is not financially sound. It is time we killed that fallacy.

It is damaging to pending legislation because on Monday I believe we will be considering H. R. 607, to provide another increase for retired employees. One hundred and sixty Members of this body were interested enough and concerned enough about the plight of retired employees to introduce legislation providing for an increase. Here before we even have a chance to consider that legislation which is embraced in H. R. 607, which is coming up pretty shortly, we are prohibiting these employees from receiving the increase unless further action is taken by the Committee on Appropriations.

We do have in that legislation, in that pending legislation, language which would do almost what the language in the appropriation bill would do. It states in part:

That such annuities and increases in annuities shall terminate for each fiscal year beginning on or after July 1, 1960, for which an appropriation shall not have been made by the Congress to compensate such fund for the cost, as determined by the Civil Service Commission of such annuities or increases in annuities for such fiscal year.

That is the language embraced in the bill, H. R. 607, which we will be considering Monday. If this language in this appropriation bill is necessary, then let us offer that to the bill when it comes up Monday and at that time we will discuss the entire subject.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. BOLAND].

Mr. BOLAND. Mr. Chairman, this language is put into this bill only for the purpose of improving the soundness of the retirement fund. There is no effort on the part of any member of the Independent Offices Subcommittee to sabotage that or jeopardize the employees' rights, or any particular bill which might increase their annuities. The effort on the part of the members of this committee to preserve the soundness of that fund is the only reason why this proviso is in this bill. A week ago the other body passed a bill for retired annuitants that will cost some \$85 million. As to the bill which the House will consider next week, I do not know what the cost will be, but whatever it might be, I think there ought to be a willingness on the part of those who are anxious to increase the retirement of those annuitants who are on the retired rolls to stand up and have the guts and vote the amount for it. That is all we want. I am one of those who has introduced a bill increasing annuities for retired Federal civil-

service workers. They deserve this increase and have waited a long time for it. When we do increase the annuities, I am sure and know that this committee will come back with a supplemental and we will give the money that is necessary to meet that obligation.

I repeat, this proviso is for the purpose of not sabotaging the retirement fund or of prejudicing those who might benefit hereafter from the fund. It is only for the purpose of preserving it. I think the membership here ought to realize that and those who are in favor of this amendment ought to realize it, too. This committee worked long and hard on this bill. It spent many hours considering the solvency and the insolvency of the retirement fund. This is the way to preserve and protect the fund; and this is the way to do it.

I hope the amendment is defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. JOHANSEN].

Mr. JOHANSEN. Mr. Chairman, I rise in support of the amendment. I respectfully direct the attention of the committee to the fact that on March 5 of this year during the debate on the bill, H. R. 8002, a very eloquent statement was made by a member of the Committee on Appropriations in defense of the prerogatives of the Committee on Appropriations. I recall to your attention the fact that at the time I raised the question as to whether there would be the same eloquence and the same earnestness in behalf of some other committee when the legislative prerogatives of that committee were being challenged on some subsequent occasion by the Committee on Appropriations. I think this is an appropriate time to call your attention to the fact that this is precisely what is transpiring here. There is a suggestion here in the statement of the gentleman who preceded me that there is an apparent lack—and I am quoting his words—of guts on the part of the House to match new obligations with the funds to meet those obligations. I again direct the attention of the committee to the provision in section 4 of the bill, H. R. 607, which is coming before the House shortly, which specifically provides, and this has been voted out of our legislative committee where this matter ought to originate and from which it ought to emanate:

Any annuities or increases in annuities provided by the preceding section in this act—

And that calls for increases—

shall be paid from the Civil Service retirement and disability fund and such annuities and increases in annuities shall terminate for each fiscal year beginning on or after July 1, 1960, for which an appropriation shall not have been made by the Congress to compensate such fund for the cost.

The intent of the legislative committee is clear, as comprehended in this bill, H. R. 607. There will be an opportunity to act on the recommendation of the proper committee to take care of this provision.

I urge the adoption of the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. MURRAY].

Mr. MURRAY. Mr. Chairman, I rise in opposition to the amendment. I do not see how any Member of this body can complain about this provision which provides for the highest sense of fiscal responsibility. The language merely means that, before there is any further increase in annuity benefits, there must first be an appropriation made to the retirement fund to cover the increased cost of such benefits and to prevent an immediate increase in the unfunded accrued liability of the fund.

Why has the tremendous deficit in the retirement fund happened over the past 10 years? It is because the Congress has liberalized this fund four different times during that period. Those four different amendments to the retirement fund cost millions and millions of dollars, and yet the Congress made no provision for taking care of the additional cost provided by those amendments. It is high time that Congress displayed some sense of financial responsibility about this fund. Everybody will admit that the fund is in terrible condition. It is insolvent. Its insolvency is growing, and if you continue to liberalize the fund in the future and do not provide additional appropriations to take care of the new liberalized features, naturally the deficit in the fund will continue to grow. I do not see how you can object to this provision, which merely means that if Congress feels that this retirement system should be liberalized in the amount of \$200 million in additional benefits, first Congress should vote an appropriation of \$200 million to take care of this amount.

Mr. Chairman, it is high time that we get this fund in proper financial order or we are in real serious trouble.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. MURRAY. I do not yield.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Chairman, within the next few days this House will by an overwhelming vote agree to authorize the expenditure of somewhere between \$60 and \$100 million for additional retirement benefits for former employees in Government, and dependents of former employees. That money will be in addition to the amount they receive as contributors to the retirement fund.

The legislation provides that all people employed in Government and retired prior to October 1, 1956, will be entitled to additional payments as provided in the bill. The cost of the bill approved by the House committee, I am advised will cost approximately \$60 million the first year. A companion bill approved by the other body will cost nearly \$100 million the first year.

Mr. HYDE. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I shall be pleased to yield.

Mr. HYDE. I have full sympathy for the purpose expressed by the gentleman

from Kansas, also the gentleman from Tennessee. My fear is that when you say in this proviso that none of this increase can be paid unless the appropriation is made, to prevent an immediate increase in the unfunded accrued liability fund, should there be an increase in the accrued liability of such fund even if you appropriate the money, should that increase occur because of some miscalculation of the number of beneficiaries or for some other reason, then the Government may be in the position of not being able to pay the increase even though you have appropriated the money. That is my objection to this proviso. It contains language an interpretation of which may kill any increase in retirement benefits. I am in sympathy with keeping the fund solvent, but under this language if for any reason at all there is an increase in the accrued liability these payments cannot be made. We have been told here time and time again that it is going to increase untold millions of dollars. Should it increase, you are not going to be able to pay any more annuities.

Mr. REES of Kansas. It is my contention the appropriation for the retirement fund in this bill is intended to apply on present and past obligation to the retirement fund.

I further contend this House should immediately appropriate the additional amount necessary to completely take care of the additional obligation created when the House votes to make additional payments to those who retired prior to October 1, 1936, and the survivors of those who are deceased.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. CORBETT].

Mr. CORBETT. Mr. Chairman, I believe we have gotten ourselves into a controversy here and gotten our emotions stirred up a bit when there really is not any important problem. I was very pleased to hear the gentleman from Kansas say that he thought that next week or in the very near future we would be authorizing \$60 million to \$85 million for retired Federal employees. If there are any real victims of inflation who deserve this increase they are those people who will be covered in benefits.

We have gotten all excited about the fact that there is going to be some proviso in the law requiring an appropriation of money. I submit it is as easy as this: The bill S. 607 or H. R. 607, as the case may be, that will be before us, does, as the gentleman from Michigan [Mr. JOHANSEN], said, provide that if the money is not forthcoming from the Appropriations Committee and the Congress that the benefits cannot be paid the following year. The gentleman from Massachusetts wondered if we had the guts to stand up and be counted. For me it is the job of the House Civil Service Committee to pass the authorizing legislation; it is for the Appropriations Committee to bring before us the proper appropriation.

We all showed here on the last amendment, we who supported it, that we are seriously concerned about the solvency of the fund. The people who are opposed to this amendment, are just as

concerned as the people who would like to say that it does not matter what the will of the Congress is, that what matters is the will of the subcommittee on appropriations. I believe that in a contest between two jurisdictions, the legislative committee and the Congress, we should not allow any portion of the whole to build a trap both legally and otherwise which will withhold from deserving people, so labeled by the vote of Congress and the signature of the President, withhold from them the benefits we feel they are entitled to.

I believe this amendment should be passed without question.

The CHAIRMAN. The gentleman from Iowa [Mr. GROSS] is recognized.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, this is legislation on an appropriation bill. That is the first argument in favor of the amendment and against the proposal in the bill. The Appropriations Committee has gone far out of its way to write legislation in this bill.

As one member of the House Committee on the Post Office and Civil Service, I am jealous of the prerogatives of that committee. The House has just spoken, by a substantial margin, and said that the retirement fund should be contributed to annually by the Federal Government. That is, the annual payments, based on cost and interest, should be paid each and every year by the Federal Government.

There is no need for this legislation in this appropriation bill. The House has spoken and the House committee in reporting a bill to you next week will speak on that score again. Why do you not leave this matter to the proper legislative committee?

What you are inviting, I may say to the chairman of the subcommittee of the Committee on Appropriations, is language in the bill that will come to the House next week, and other bills from other committees, providing that, notwithstanding the provisions of any other act passed by the House of Representatives, that a certain procedure will be followed. We can take care of you in that fashion. I do not think you want it that way, I am sure I do not want it that way.

I appeal to you to stop bringing in legislation on appropriation bills and going to the Rules Committee and getting points of order waived on appropriation bills.

Mr. Chairman, I support the pending amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, there is not the slightest intention on the part of any member of this subcommittee on either side of the aisle to circumvent the jurisdiction of the great legislative committee. We consulted its very able chairman and asked his permission. He went to the Rules Committee with us and advocated this rule. I am not jealous of anybody's prerogatives, and no one on this committee is;

but, Mr. Chairman, we are jealous of this fund that is \$19 billion in the red.

My very able and lovable friend from Iowa makes an argument that really is not in keeping with the great service he renders. In the last 5 or 6 years this fund has gone in the red by some \$10 billion. By whose action? By his action, by my action, by your action. He serves on that great committee and that great committee has not done anything to protect this fund. It is the job of this subcommittee to handle the dollars and cents involved, and that is all we are doing.

My very good friend from Maryland says the language has a joker in it. There is nothing wrong with the language because the very able Civil Service Commission wrote the language, the same people who are going to administer it. Do not worry about that language.

Mr. Chairman, when that great committee, of which my friend from Iowa is a member, comes in tomorrow or the next day with an authorization bill, we are going to supply the money just like we do for any other legislative program. All we are asking your great committee to do is to follow the procedure of this House. When the armed services want any money, how do they get it? They go to the Committee on Armed Services, and they authorize it, and then they go to the Committee on Appropriations. When the farmers want money, what do they do? They go to the Committee on Agriculture and it is authorized, and then they go to the Committee on Appropriations. Now, when you want money, why should you not do the same thing?

When you do that, we are not going to say that we are going to slow you down. That is not the purpose of this language. We tell you now—and I do not believe any member of the subcommittee will deny it—that when you come in next week we will give you the money. All we are asking you to do is to follow the regular appropriating procedure of this House. When you do that you will not have in the next 10 years another \$10 billion deficit that you and I and all the rest of us have created.

Mr. Chairman, this amendment ought to be voted down. You would be making a mistake if you do not do it, and I say that in all sincerity, and I humbly ask you to vote "no" on this. I ask for a vote, Mr. Chairman.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. HYDE].

The question was taken; and on a division (demanded by Mr. HYDE) there were—ayes, 52, noes 83.

So the amendment was rejected.

The Clerk read as follows:

FEDERAL TRADE COMMISSION  
SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by law (5 U. S. C. 2131), not to exceed \$700 for newspapers, services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), and not to exceed \$251,250 for expenses of travel, \$5,950,000: *Provided*, That no part of the foregoing appropriation shall be expended upon any investigation hereafter provided by concurrent resolution of the

Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

Mr. CHRISTOPHER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not want to speak on this question, but I sought this time to ask for some information and I shall direct my question to the gentleman from Texas [Mr. THOMAS]. I am very friendly to this legislation and I will support it, but not being a member of the committee that has it under consideration, I would like to have an answer to this question. The Government employees have had taken out of their checks ever since the beginning of this program whatever they owed to the fund. Now, the question I want to ask is this: Has the Federal Government matched that money dollar for dollar into that fund as the law requires?

Mr. THOMAS. No.

Mr. CHRISTOPHER. Have they paid the interest on the money that the Federal employees have paid into that fund every year.

Mr. THOMAS. No.

Mr. CHRISTOPHER. Then, if the Federal Government should, at one lick, pay into the fund the money they are obligated to pay into the fund, plus the interest they owe on the money that the Federal employees have paid into that fund, would that fund then be solvent?

Mr. THOMAS. Yes.

Mr. CHRISTOPHER. That is all.

The Clerk read as follows:

SITES AND EXPENSES, PUBLIC BUILDINGS  
PROJECTS

For expenses necessary in connection with construction of approved public buildings projects not otherwise provided for, including preparation of drawings and specifications, by contract or otherwise; acquisition of sites, including soil investigations and tests; not to exceed \$200,000 for expenses of travel; administrative expenses; and for preliminary planning of public buildings projects; \$38 million, to remain available until expended, and not to exceed \$500,000 of this amount shall be available for construction of small public buildings projects outside the District of Columbia pursuant to the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341): *Provided*, That any unexpended balances of funds heretofore appropriated to the General Services Administration for sites and expenses or sites and planning shall be available for the purposes hereinabove set forth and may be consolidated with this appropriation: *Provided further*, That no part of such funds shall be used during the current fiscal year for preparation of drawings and specifications, acquisition of sites, design, planning, construction, or in any other manner for or in connection with proposed Federal office building No. 7 on square 167 in the District of Columbia (project No. 3-DC-05, General Services Administration prospectus submitted July 13, 1956).

Mr. McINTIRE. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I have taken the floor to direct a question to the chairman of the subcommittee. Mr. Chairman, in the appropriation bill for the fiscal year 1958 there were funds appropriated, in fact \$195,000, for a customhouse at Madawaska, Maine, in which there was set aside \$5,000 for site. In examining this

matter it has developed that the money available for site is not adequate. I ask if in the provisions on page 10, Sites and Expenses, Public Buildings Projects, it would be possible that from this fund there would be drawn sufficient money to make up any deficit which might exist by virtue of the additional cost for site in connection with this project which is already approved?

Mr. THOMAS. Mr. Chairman, let me say to my friend—and I want to be perfectly frank about it—I do not know, but if I had to guess right now, I do not think it would because that was an especially appropriated fund last year. It was covered as a specific appropriation item in the appropriation bill last year. May I suggest to my friend that we all want to help him. He works hard and is in a difficult position now through no fault of his own. The gentleman has some high-priced land there. He has a factory in his town. Land is a little bit scarce. They tell me they do not have quite as much in the gentleman's country as they have down in my country.

Mr. McINTIRE. I might say it is quite important to set up a customhouse at the end of the bridge. There is the problem of relocating a railroad if we get the site at the appropriate location.

Mr. THOMAS. Mr. Chairman, may I suggest to my friend that when he goes back home, he get hold of both parties, the railroad and the factory, and see if he can get some heads together and drive a good, hard bargain. Then I suggest he get hold of the gentleman from New York [Mr. TABER]. Then we will all get together and see if we can help him. I do not think the gentleman from New York is going to throw anything away and if the gentleman will do that, we will all see if we can help him work out something.

Mr. McINTIRE. Mr. Chairman, I thank the gentleman very kindly.

The Clerk read as follows:

CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

For construction of public buildings projects outside the District of Columbia pursuant to the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341), \$177,255,000, to remain available until expended, of which amount not to exceed \$700,000 shall be available for site and construction costs for the project at Milledgeville, Ga.

Mr. ROGERS of Colorado. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROGERS of Colorado: On page 11, line 19, strike out "\$177,255,000" and insert "\$187,255,000."

Mr. ROGERS of Colorado. Mr. Chairman, this amendment is offered for the purpose of the construction of a postal terminal annex at Denver, Colo. The General Services Administration, pursuant to the authority given to them more than 8 years ago, acquired a site near the Union Station at Denver, Colo., for the purpose of constructing a Denver terminal annex. The necessity for this building has been proven time and time again.

After the purchase was made by the General Services Administration of this

site, the Committee on Post Office and Civil Service visited Denver, Colo., and had an opportunity to observe the workings of the postal employees. They found that many of them were out in the street in the dead of winter separating the mails. We have, some 3 or 4 blocks from the Union Station, an old building formerly used as a banana warehouse whose working facilities are such that if it were under State supervision it would be condemned as a fire trap. When the lease-purchase legislation was approved the application of the Denver Post Office was put down No. 2 on the list and was submitted to the respective committees of the respective Houses and approved.

The Post Office Department pursuant to the authority given them had plans and specifications prepared for the construction of this building and issued an invitation for bids, but the only bids they received would cost the Government approximately \$15 billion under that program.

I am asking in this amendment that you approve sufficient funds for a project the necessity and need for which has been established time and time again by every committee in the Congress and every executive department that has ever looked into the matter. If the appropriation of a sufficient sum to construct this terminal annex is adopted, then you will save the Government lots of money. You will save it in rent, you will save it in operations. The plans by the Post Office Department have already been drawn, the architects have submitted their plans, and all they have to do is to proceed with the construction of this building on the site the Government has owned for more than 8 years. After the Government has spent a large sum of money in the acquisition of this site and nothing has happened during that period of time, now is the time for you to take action, give us sufficient funds, and proceed with the construction of the terminal annex. I ask your favorable consideration and vote in favor of this amendment.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes, the committee to have the remaining 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS. Mr. Chairman, we all love our friend from Colorado. He is putting the committee in the awkward position of opposing a very worthy project. There is no question about it, but again I point out to you the reason we are going to have to ask you to vote against this amendment.

There is not a single building in this list which is exclusively a post office. There are dozens all over the country that should be built. I am suffering too. I have one in my town that was built to accommodate 125,000 people, but now the town has 900,000 people in it. We have owned the land for 9 years too, but I am in no worse shape than dozens of you.

Frankly, I speak the committee's sentiment, and I know I speak my own, when I say that the Post Office Department has no business being in the construction business. The Post Office Department was set up to carry the mail, and it does a fine job of it. Now to set up a duplicating construction agency, as it is under the present setup, is compounding the cost of construction and slowing it down. On the other hand, you have a fine agency, the Public Buildings Service in GSA, which for over 100 years has built post offices and all the other Federal office buildings.

All of this construction should be placed where it belongs. So far as I am concerned, and I think I am speaking for the committee, if the jurisdiction is given to the General Services Administration, we will get busy and supply the funds and build these post offices that ought to be built. That would not take away from the Post Office Department the jurisdiction to contract for service stations and little buildings out in the neighborhood sections of the community. I am talking about the post offices in the county-seat towns. As far as I am concerned, I have no objection to the amendment of the gentleman from Colorado [Mr. ROGERS], but I do not think it is treating everybody else fairly who wants to have a post office, to put one in this bill, because there is not a single, exclusively post-office building in this entire lot. This committee did not have jurisdiction. That is the reason they are not in the bill.

Mr. ALGER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. ALGER. I have been quite in sympathy with this bill right on through, and I joined my colleagues on that side a moment ago. Now, I am quite shocked here to find in this report, and I direct this question to the distinguished gentleman. What is this "fighting the depression"? On the first page of the report, there is this language: "fighting the depression."

Will the gentleman tell me what that is?

Mr. THOMAS. I beg the gentleman's pardon.

Mr. ALGER. Is this a bill to fight a depression or do I misread this report?

Mr. THOMAS. Certainly, it is not going to aggravate the depression or make it worse.

Mr. ALGER. What depression are we talking about?

Mr. THOMAS. Have you not heard?

Mr. ALGER. No.

Mr. THOMAS. Well, you go back home and you will no doubt find that you have about 30,000 or 40,000 people unemployed.

Mr. ALGER. I have just been back home, let me say to the gentleman, and may I say further that the level of income for the month of February—

Mr. THOMAS. Then your town is different from the rest of the towns in the United States.

Mr. ALGER. Then I am proud of that. But, I merely asked the question to get an answer.

Mr. THOMAS. I beg the gentleman's pardon. I will give the gentleman an answer if he will repeat his question.

Mr. ALGER. The report says "fighting the depression."

Mr. THOMAS. Why, of course.

Mr. ALGER. What depression?

Mr. THOMAS. Do you realize there are 5,200,000 unemployed people in the country?

Mr. ALGER. That is 7.6 percent of the total working force. There are 62 million employed.

Mr. YATES. The President of the United States in a press interview himself used the word "depression."

Mr. THOMAS. Let us not kid each others. We are all in the same boat together. You have unemployment in your town and I have unemployment in my town. We have a serious problem confronting us in my judgment in this country when we have 5 million or 3 million or 4 million people unemployed. I hope I am wrong, but it would not be too surprising if when the figures come out there will be 5½ million unemployed for the month of March. Of course, in that kind of a situation, we are in some kind of serious economic trouble. Everybody knows that. I want to be serious about this.

Mr. ALGER. Is that a depression? I would like to ask the gentleman.

Mr. THOMAS. In my book, yes—in your book, no.

Mr. HOFFMAN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. HOFFMAN. About this statement in last night's Star regarding the high deposits in the banks here. What would you say that means?

Mr. THOMAS. The District of Columbia has one of the highest per capita incomes of any city in the world so they are a little better off than the people in my town or your town. They are in pretty good shape here. Gentlemen, I ask you to vote down this amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado [Mr. ROGERS].

The amendment was rejected.

Mr. HEMPHILL. Mr. Chairman, I move to strike out the last word.

(Mr. HEMPHILL asked and was given permission to revise and extend his remarks.)

Mr. HEMPHILL. Mr. Chairman, I had intended to offer at this section of the bill an amendment to provide for a post office in my own district. Because, since 1939, we have been promised a post office at Fort Mill, S. C., and the General Services Administration has made a survey in which it has been determined that we need that post office. The Post Office Department has promised the building and we are awaiting its beginning. I am going to vote for the 66 projects which are already in this bill in the hope of helping stop recession. But it occurs to me that if some of us are hurt, all of us are hurt, and maybe there should be some justification here or somewhere for those whose post offices have been approved but not constructed.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. HEMPHILL. I yield.

Mr. JONES of Alabama. I would like to explain to the gentleman from South Carolina the reason why the language was used in the case of Milledgeville, Ga. It was the only project in the entire 146 that exceeded the cost of the prospectus submitted to the Committee on Public Works. So the language is remedial in that it is changing that figure to \$700,000 in keeping with the request of the Post Office Department and the General Services Administration.

Mr. HEMPHILL. I thank the gentleman for his explanation. I was not questioning the fact that it was in the legislation. I said I was going to vote for it because I want to support the endeavor of any Member here who is attempting to help his own district, as long as the Nation does not suffer.

It occurs to me that some of us have been needing help since 1939, and I have the records to prove it, and we might need a little help in this bill. I say it is time we took some observation as to what the rest of us need. I hope the committee will do that.

Mr. Chairman, I would like to give the committee a few facts regarding the Fort Mill Post Office, long a necessity, long neglected.

In 1939 a site was purchased for a handsome and spacious new building, and the Post Office Department gave the citizens and customers every reason to expect relief from the crowded situation then existing. At that time Fort Mill's population was only 2,500 and the office served an estimated 4,800 people. At that time it was a third-class office with annual receipts of less than \$10,000.

Today the population is 4,000 plus, and the office serves an estimated 8,000, the office is second class and for 1956 its receipts were approximately \$28,000. 1957 figures are not immediately available, but are probably higher. Then, can we so reason that the office is needed now, far more than in 1939, in fact the need is three times as great.

The Fort Mill Post Office moved into its present building in 1920, 37 years ago. Sufficient rent has not been offered to improve or expand. The overall floor space is approximately 1,350 square feet, of which 350 square feet is utilized for lobby, leaving only 1,000 square feet of working space for a postmaster, his assistant, 2 clerks, 2 city mail carriers, 2 rural mail carriers, and a parcel post delivery man. In rush seasons additional personnel are required.

We desperately need the new Fort Mill Post Office. I regret this committee did not see fit to include post offices in its appropriation.

An entire area would benefit from the construction of this post office. New construction means construction jobs, money flowing in the community, the town would be benefited and beautified.

The Post Office Department has promised us this new building. I hope and pray their promises materialize. I have brought our need to the attention of the department by letter, by telephone, and otherwise. I now call the attention of the Members of Congress to our situation.

Let me give the Congress a few facts about the fine city of Fort Mill, and vicinity:

#### GOVERNMENT

City is governed by mayor and six aldermen. Tax levy is 42 mills. Assessed valuation for taxes—\$1,804,600. Twenty five miles of paved streets are in use. Modern sewerage system. Abundance of water. Efficient volunteer fire department with three modern trucks.

#### INDUSTRY

Two large plants of the Springs Cotton Mills employing 2,300 persons with an annual payroll of \$6 million. Value of manufactured product, \$33 million annually. Plants are run 6 days a week. They are being constantly expanded. Fort Mill also is the home of the big new executive office building and pilot plant of the Springs Mills, employing some 300 clerical workers and technicians. Building was erected in 1953 at cost of \$3 million. In addition to the Springs interest there are other smaller industries.

#### SCHOOLS

Fort Mill has 2 new and modern high schools, 3 elementary schools, 2 gymnasiums, and a beautiful 3,000-seat stadium, representing an investment in excess of \$3 million.

#### CHURCHES

There are six churches within the corporate limits with a total membership of more than 3,000. One church is ready to occupy a new building and other churches have just completed additions costing more than \$200,000.

#### RECREATION

Fort Mill's recreation facilities are unsurpassed. Beautiful 9-hole golf course, soon to be expanded to 18-hole course; swimming pool, bowling alley, large clubhouse, etc. Tennis courts and other facilities soon to be constructed.

#### OTHER FACTS

The city is served by the Charlotte-Augusta division of the Southern Railway, Greyhound Bus Lines, Queen City Bus Lines and Carolina Stages. A new dial telephone system with 1,500 telephones. A National Guard heavy weapons company with its own spacious armory, one bank with weekly clearings of about \$175,000. A weekly newspaper. Principal farm products are cotton, peaches, grain, and dairying.

Also located within 3 miles of Fort Mill is the large electric power producing dam of the Duke Power Co.

Mr. Chairman and Members of the House, I ask your consideration, your sympathy, and your help for this fine community in my district.

The CHAIRMAN. The Clerk will read.

Mr. LOSER. Mr. Chairman, a point of order. Line 23, on page 11, and lines 1 to 6 on page 12 have not been read. I have an amendment to that section.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

#### PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS

For payments of principal, interest, taxes, and any other obligations under contracts entered into pursuant to the Public Build-

ings Purchase Contract Act of 1954 (40 U. S. C. 356), \$310,900: *Provided*, That hereafter no part of any funds in this or any other act shall be used for payment for sites, planning or construction of any buildings by lease-purchase contracts except buildings used solely for post office purposes.

Mr. JONAS. Mr. Chairman, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. JONAS: On page 12, line 5, after the word "except", insert: "(1) contracts entered into prior to July 1, 1958, and (2)."

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. LOSER. Mr. Chairman, a point of order. That amendment follows in the bill subsequent to my amendment.

The CHAIRMAN. The gentleman from Tennessee may offer his amendment after the present amendment is disposed of.

The gentleman from North Carolina is recognized.

Mr. JONAS. Mr. Chairman, the meaning of the proviso that begins on line 2 and ends on line 6, page 12, of the bill is somewhat ambiguous in the light of the immediately preceding provision of the bill to which it is appended.

The preceding provision beginning on line 24, page 11, and ending on line 2, page 12, provides \$310,900 to meet payments due in 1959 under contracts entered into pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U. S. C. 356), prior to the effective date of the bill. Yet the proviso provides that after the effective date of the bill no funds appropriated thereby or by any other act shall be used for payments for sites, planning, or construction.

The amendment will make it clear that the proviso does not bar the use of appropriated funds for administrative and other expenses, including site acquisition, design costs, and construction supervision, necessary for the performance of contracts entered into prior to July 1, 1958, thus removing any ambiguity in this regard.

Mr. Chairman, I think it would be a mistake for us to completely discontinue the lease-purchase program right at this point. We have been trying to get the program under way for the last 3 years. As a matter of fact, strenuous efforts have been made on the part of the General Services Administration to get the necessary financing to effectuate lease-purchase contracts. They admit that there has been delays but the principal reason for the relay has been the unrealistic interest rate limitation that was originally placed on the program. As soon as that interest limitation was raised, contracts began to approach the stage of being signed, and as of this moment there are 15 contracts for construction of lease-purchase buildings already signed by the government and construction can begin on them tomorrow if this committee does not kill the program today.

Then there are another 15 projects on which financing bids already have been received and construction contracts are awaiting signature. I say to the members of the committee that if you want

to get these projects started immediately, you ought to adopt my amendment. If you want to stop the lease-purchase program after July 1, 1958, that is one thing, but do not undo all of the work that the General Services Administration has completed, and on which it has expended money in an effort to get these contracts ready for execution, right at the time when the program is beginning to roll.

I, of course, would be the last person to stand here and contend that you can build buildings under lease-purchase arrangements for less money than you can under direct appropriations; but you cannot build a house for less money on the installment plan than you can by paying cash. You cannot buy an automobile on the installment plan without paying a whole lot more for it than you would pay if you had the money in your pocket to plank down in cash to the dealer.

I got these figures this morning, and was surprised to learn that on an FHA-insured loan for a house, a 25-year loan of \$10,000, the borrower will pay back \$18,710.93 during that 25-year period, an increase of 80 percent over the amount he would have to pay for it if he had the money in the bank.

Go downtown and offer to buy an automobile and you can get a good one for \$2,768 if you have the money; but if you have to finance it over a period of 36 months it will cost you \$3,320.04.

I do not legislate on the basis of newspaper editorials, and I know that the members of this committee do not do that either, but I would like to read briefly from editorial comments in newspapers published in Washington and Kansas City.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

(By unanimous consent, Mr. JONAS was allowed to proceed for 3 additional minutes.)

Mr. JONAS. I read the following from the Washington Post of a day or two ago:

As for the method of financing Government buildings, we doubt that lease-purchase ever had a fair trial. The interest rate was set too low during the program's official lifetime to attract private capital. Since the 4-percent ceiling was lifted—in connection with the clean-up of the projects which had congressional committee and Budget Bureau approval before the law lapsed—that capital has been forthcoming, and the interest rates on recent contracts have been dropping steadily.

To be sure, buying a building on time costs more than buying for cash. But direct appropriations, so long as the Government is in debt and faces further deficits, also means borrowing. Before Congress approves total abandonment of lease-purchase, it ought to determine whether that method is more expensive than appropriation financing. We suspect there would be little difference. And lease-purchase would have the advantage of making possible a more orderly, sustained, and economical building program—if Congress would leave it alone.

There is a difference in cost under direct appropriations and under lease-purchase, and the difference involves just two items—the difference between what

the financing costs and what the Government has to pay for the money it borrows. Usually that difference is about 1½ or 1¾ percent. The only other difference is the matter of taxes we pay under lease-purchase to the local communities; and there is, goodness knows, enough criticism now of the Federal Government absorbing so much of the tax potential of the cities and local communities that they have difficulty financing local operations. I do not believe the amount of taxes we will pay local cities and counties under lease-purchase contracts is money that is absolutely lost. I do not think we ought to consider it as necessarily adding to the cost to the American people of this program.

May I read also just one brief comment from the Kansas City Star of March 22, 1958, which struck me as pertinent. I quote:

It strikes us that there are several definite advantages to lease-purchase. It spreads out the cost to the taxpayer over a period of years. In this time of recession, private capital could be used to pump some needed construction funds into the economy and raise some necessary buildings. To do as much by direct appropriation would put a great burden on the public pocketbook.

A building constructed under lease-purchase remains on local-tax rolls during the period that the Government is paying off the cost. That is a definite help to local and State governments that are also hard-pressed for cash.

I would say, Mr. Chairman, that in my judgment, and it is only the judgment of one member of this committee, we will be making a mistake if we vote to kill this program right when it is being to roll. It does seem to me that we should allow the contracts to go forward that have already been signed as well as those in process of execution. That is all my amendment does and I therefore urge its adoption.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment and the entire paragraph close in 35 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio [Mr. SCHERER].

Mr. SCHERER. Mr. Chairman, I ask unanimous consent to yield my time to the gentleman from Florida [Mr. CRAMER].

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr. CRAMER].

Mr. CRAMER. Mr. Chairman, we now come in an indirect manner to the crux of the matter with regard to lease-purchase that has been discussed many times on the floor of the House and many times in the Committee on Public Works. There are obviously many who disagree with the majority of the Public Works and Appropriations Committees in regard to it and in regard to deciding this important issue as an amendment on

an appropriation bill rather than by direct and clear action on lease-purchase out of the Public Works Committee.

Mr. Chairman, if the pending amendment is not agreed to, lease-purchase is dead, that is all there is to it. It is the death knell of lease-purchase if the pending amendment is not approved. All we are asking by this amendment is to continue until July the authorization for the General Services Administration to go ahead with these ready-to-go projects on which millions of dollars have been expended in working the projects out, permitting them to go ahead and use this second arm, so to speak, lease-purchase, as a method of building much-needed Federal buildings. The first arm, direct appropriations, that has been in existence for many years, has not been used since 1938 as a matter of fact. I am happy to see that finally we are doing a little something with the first arm by direct appropriations, but we cannot afford in my opinion to do all the public building needed today—in the billions—by direct appropriations and lease-purchase, as the second arm is essential not only this year but in the future, unless we are to spend ourselves into bankruptcy. These 66 buildings are a drop in the bucket. These 66 projects are a drop in the bucket to what has to be done. If economy ever returns as the vogue, if fiscal responsibility in balancing the budget in future years—it apparently being out the window this year under the same majority leadership that clasped it so zealously to its bosom last year; then we'll rue the day we cut off our second arm—lease-purchase. We will return to the hiatus of no construction which has been the rule since 1938 under direct appropriations.

I cannot believe, with the status of our economy being in our minds this year, with unemployment care programs being pushed on all fronts, that we are going to vote funds, not effective until July 1, for these 66 projects while at the same time not letting us go ahead now with more job opportunities through lease-purchase to make projects available for additional jobs now, until July 1, and thus later to go ahead with those buildings after July 1 with direct appropriations. The Jonas amendment presents a complete construction stoppage between now and July 1 and certainly makes for more jobs and for orderly continuation of a needed Federal building program.

The 271 additional projects which you will find in the minority report on S. 2261, that have not been authorized, cannot be provided without lease-purchase extension under the simplified method used to authorize the 66 we are now considering.

With regard to these 271 projects not yet authorized, to give you an example, there are 3 of them in the State of Florida—Jacksonville, Gainesville, and Tampa—that cannot be authorized if this amendment is not approved as a start and if lease-purchase extension is not approved by this Congress in the future—except through full individual bill procedure that has been discarded since 1938.

These 271 projects, I say to the gentlemen seated on the floor, involve most every locality in the United States. These 271 projects, if lease-purchase is not continued, cannot possibly be authorized in the future, because you will have to go through the Public Works Committee and Congress itself for individual building authorization, which has never been done since 1938. There has been no program for building since 1938, and we now have a program where they can be built, and there is no use cutting off this second arm at this time which is much needed and which will be needed much more in the future if Congress ever comes back to the idea of no more deficit spending. Anyway, the program is too big to be handled by one method—by direct appropriations and cumbersome individual authorizations.

Now, this question of comparable cost has been dragged across the debate ever since it started, and I read from the report of what is the comparable cost. And, I have never seen such loaded, one-sided figures in my life as were set out in the report between lease-purchase and direct appropriations. As it reported on page 4 of the committee report, it shows that the cost is \$177,255,000 under direct appropriations and more than twice that under lease-purchase, which is a complete distortion—in that the comparison is not properly and fairly analyzed. The comparable and analyzed difference between lease-purchase and direct appropriations is 1.6 percent. One and six-tenth percent is the difference if you take into consideration the taxes that are to be paid to the local communities, if you realize you have to borrow to deficit finance through the Government at 3 percent and if you properly amortize interest payments on the lease-purchase. Now, some people say that they do not believe in paying taxes to the local community. Well, I say to you that payment of taxes to the local community is a policy set down by the United States Congress in the lease-purchase bill itself, and there were amendments proposed to that bill which our Public Works Committee has failed to bring to the floor. The committee apparently does not want to make the program workable. If the Congress wanted to do away with local taxes, they should have done so by amendments to the lease-purchase bill itself sometime ago.

Mr. Chairman, I hope this amendment is passed and that we can go forward now with construction which is needed to bolster employment and to provide orderly development of needed Federal buildings, rather than completely killing the lease-purchase program and all construction under any method until July 1.

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Chairman, certainly, the gentleman who has just preceded me should be very happy about the lease-purchase proposition for the beautiful brochure sent around here by the Post Office Department showing a building which was built under lease-purchase, I

believe, in St. Petersburg, Fla., in his district.

All I wanted to do in the limited time was to point out the additional cost between lease-purchase and direct appropriation. Of course, construction costs are the same; sites and planning are the same, but the interest-cost factor is in direct appropriations, and under a 4½-percent rate the increased cost would be \$446,736,000. Add to that \$504,345,000 for taxes, and you have an increased cost under the 4½-percent rate of \$692,675,000. If you go up one-half percentage point, adding the interest and the taxes, the increased cost under the 5-percent rate would be \$762,562,000. I, for one, want to say that I voted for the lease-purchase bill, but I am for direct appropriations. I have been for getting some of these projects built and underway under some plan. In addition, there is involved a great deal of redtape and a lot of waste of time, and we do not seem to get the job done. So, I think the direct appropriation is the way to get the job done.

Mr. JONES of Alabama. Mr. Chairman, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Alabama.

Mr. JONES of Alabama. The figures estimated under lease-purchase, were they submitted by the members of the committee?

Mr. EVINS. No. The figures I have read are the figures of the Comptroller General of the United States, and he shows that the increased cost under the former is approximately 70 percent.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Chairman, the gentleman from Florida [Mr. CRAMER] said that he never saw such distortion as appears in the report of the committee with respect to the comparison of costs between the direct appropriation method and lease purchase. The committee did not prepare the information and it is not distorted. That statement was prepared by the General Accounting Office. This House will vouch for the credibility of the GAO.

We asked the General Accounting Office to prepare a fair presentation of what the financing would be with respect to each of the methods, and this is what was presented by the General Accounting Office. It is accurate.

The question that is presented to the House now is how much of a bonus do you want to pay for not breaking through the debt ceiling. Is it worth the difference in cost that is shown to exist by the GAO figures? Of course not. If you are economy minded, you cannot possibly vote for this amendment.

The argument has been made that if you vote for this particular provision in the bill you are going to have to increase the debt ceiling again. It is worth something to hold the ceiling. Is it worth 10 percent? Is it worth 20 percent not to have to increase the debt ceiling? Certainly, it is not worth the cost of lease purchase when you have to pay twice as much.

The lease-purchase plan is nothing more than a bankers' bonus plan. It will pay additional interest to the bankers and mortgage people of the country in order to construct under this type of program. Under direct appropriations the amount that is saved is very significant.

Mr. SCHERER. Mr. Chairman, will the gentleman yield?

Mr. YATES. I yield to the gentleman.

Mr. SCHERER. Under a direct appropriation will we not have to pay interest to the bankers, because we are going to have to borrow more money to build these projects?

Mr. YATES. Just as under any Federal debt; but under lease-purchase you are going to have to borrow at a higher rate of interest than under direct appropriations.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa [Mr. COAD].

Mr. COAD. Mr. Chairman, I ask unanimous consent that I may yield my time to the gentleman from Texas [Mr. WRIGHT].

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama [Mr. JONES].

Mr. JONES of Alabama. Mr. Chairman, I ask unanimous consent that I may yield my time to the gentleman from Texas [Mr. WRIGHT].

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. WRIGHT].

Mr. WRIGHT. Mr. Chairman, just a few minutes ago this House voted to pay \$500 million into a retirement fund in order that we might be completely open and aboveboard from the standpoint of fiscal responsibility. I think we have such an opportunity now to reaffirm our belief in fiscal responsibility and further an opportunity to save the equivalent of that \$500 million which we have pledged to that fund.

The figures on page 4 and page 5 of the committee report which is available to the Members are extremely revealing in this regard. Those figures were not the figures of the members of the Committee on Appropriations. They are figures furnished to that committee and to the House Committee on Public Works by the Comptroller General of the United States. Those figures reveal that on these 6 projects which are ready for construction this year and on the additional 14 projects which will be ready in the ensuing year some \$500 million can be saved to the taxpayers of the United States by building these under direct appropriation rather than under the lease-purchase program.

The gentlemen on my left have said that the difference is only 1.6 percent. That is a misleading figure. What the gentlemen assume when they say that

is that we would have to pay out of borrowings of the National Treasury if we build these projects by direct appropriation but that we would not have to pay out of the borrowings of the National Treasury if we built them under lease-purchase. That is an erroneous assumption. If we assume direct appropriations will come out of Treasury borrowings, we would have to assume also that annual payments to retire lease-purchase obligations likewise would come out of Treasury borrowings. In addition to paying the interest to Government bondholders, we would be obliged to pay to the financiers who privately financed these buildings under lease-purchase. Under lease-purchase we would be paying interest on the money we borrowed for the purpose of paying interest to those private financiers from whom we had borrowed money to put up the buildings. In other words, if we are to assume deficit financing, there would be double interest under lease-purchase.

Surely the gentleman from Ohio [Mr. MCGREGOR] and the gentleman from Florida [Mr. CRAMER] did not mean to leave the impression that there would be only 1.6 percent difference in the total project costs as between direct appropriations and lease-purchase. What I am sure they meant to convey is that there would be this much difference in the rate of interest we would pay. Even if we should accept that figure, 1.6 percent compounded annually on the unpaid balance of \$714 million worth of buildings for 25 to 30 years amounts to a substantial figure in its own right.

These are the figures of the General Accounting Office, which was asked by the Public Works Committee of the House to prepare a study for us contrasting and comparing the cost to the taxpayers of the United States under these two systems. These figures include not only the general purpose buildings constructed under GSA, which are affected by this appropriation bill, but also the exclusive post office construction, which is not involved here. Yet the same principle applies. If appropriations are financed out of current revenues without borrowing, the General Accounting Office reported to us that the difference in all the approved projects would be \$750 million; in other words, it would cost the taxpayers that much more to build them under lease-purchase.

Then we asked the General Accounting Office to assume that we were going to have to pay for these out of the borrowings under our national debt, and to make a comparison in that regard. They said that assuming that these projects are financed out of borrowings at 3 percent with the amortization out of current revenues, the difference would be \$764 million. So even with that assumption it would cost \$764 million more for the taxpayers to have the benefit of these buildings built out of lease-purchase than it would cost to have the same buildings built out of direct appropriations.

So that is the question. It is just as simple as it can be. Do we want to spend twice as much for the same build-

ings? Do we want to pretend that we are not paying for these buildings, that we will not have to pay for them? Do we want to shove off to a future generation the responsibility for paying, and pay \$2 for every dollar's worth of building we are constructing?

That is the question for us to solve here today. There could not be a better time. We cannot solve it any sooner. I think this affords an opportunity on these projects for us to save some \$500 million on these 80 general-purpose buildings concerned in this particular appropriation, and I think the House will welcome that opportunity.

Mr. EDMONDSON. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I should like to ask my friend from Texas if it has ever been contended to the committees of Congress by either Mr. Floete of the General Services Administration or the Post Office Department that they could be built for less money under lease-purchase?

Mr. WRIGHT. No such responsible official has ever made such a contention.

Mr. SCHERER. Mr. Chairman, will the gentleman yield?

Mr. WRIGHT. I yield to the gentleman from Ohio.

Mr. SCHERER. Did the General Accounting Office in the figures you are talking about show what portion of the cost under lease-purchase was attributable to those taxes?

Mr. WRIGHT. Yes; it did. In one instance of one public building in New York the construction cost of the building they said was \$59 million, and over the 25-year period of amortization, they estimated that the Federal Government would probably be paying \$53 million in local taxes. This is another hidden cost which accrues under lease-purchase.

The General Services Administration further stated it was going around trying to get local agreements to forgo taxes. The gentleman was in the committee room at the same time I was and heard all the testimony. I believe he knows it is going to cost just about twice as much if we build them under lease-purchase as if we build them under direct appropriation.

Mr. SCHERER. Could we not amend the lease-purchase law by taking local taxes off?

Mr. WRIGHT. That is a hypothetical question. If the gentleman wants to offer an amendment to that effect we can debate it at that time. We faced this same fundamental problem in the highway program and the House solved it. We voted then to build highways on a pay-as-we-go basis rather than by a more expensive bonding proposal. Let us face it again today and face it with the same frankness and the same result.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. GRAY].

Mr. GRAY. Mr. Chairman, I wish I had more time to debate this important issue of lease-purchase versus direct appropriation because as a member of the important House Committee on Public

Works it was my pleasure to examine the prospectuses on the Federal buildings referred to in this bill, and to also work and vote for their authorizations. All of these projects are badly needed. It was the intention of our committee that these buildings be built as quickly as possible. We all know that lease-purchase has been slow and costly. This bill will save millions of dollars of taxpayers' money and will guarantee immediate construction of the listed projects without having to advertise for finance bids. I am amazed at my Republican friends who are trying to kill a direct appropriation, that will give us these needed Federal buildings immediately. One of the items contained in the bill will provide us a new combination Federal building for Benton, Ill., in my district. At the present time we have no facilities to hold Federal court without driving many miles. This is an undue hardship upon an already hard pressed people. We have over 25,000 unemployed people in my district and I need not tell you what great benefit we would receive from the work provided in the construction of this \$827,000 building plus the great long-term use of it. Let us assure these communities today that we mean business by defeating all crippling amendments and passing this money bill. In closing I want to congratulate my good friends on this Appropriations Committee for their great work in bringing out this bill, particularly, its great chairman, the distinguished gentleman from Texas [Mr. THOMAS].

(Mr. GRAY asked and was given permission to revise and extend his remarks.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri [Mr. BROWN].

Mr. BROWN of Missouri. Mr. Chairman, the question here is not whether we are going to build these 66 buildings or not build them. The question may not be whether we pay cash for them or buy them on credit. But let me ask you, if we are going to buy them on credit, do you think it is better to pay 3 percent interest or 5 percent interest? If we are going to build these buildings, do you want to build them the most economical way or do you want to build them the most expensive way?

The Comptroller General of the United States told our Committee on Public Works in answer to a question that I asked, and I quote him I think almost exactly, because I want to be exact in the quotation:

This is the most expensive way to devise to build a public building, the lease-purchase program.

There are 66 projects authorized. I congratulate this committee for building them by direct appropriation, the most economical way yet devised. Even if we have to borrow the money at the Government bond rate, let us go ahead and face up to it and do it the right way. Let us not waste money by paying 5 percent when we can build them for 3 percent.

Mr. CRAMER. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Missouri. I yield.

Mr. CRAMER. Would you tell me how you are going to build these 271 that are going to be authorized in the future, like the 66, when and if lease-purchase dies? Since the 66 projects we are now considering were authorized under the lease-purchase act, how are the 271 projects going to be authorized, if they are not approved prior to the expiration of the lease-purchase act.

Mr. BROWN of Missouri. I would say to the gentleman that if the Congress in its wisdom has imposed a limit on debt, on Government bond borrowings, how can you circumvent that debt limit wisely and in good conscience by borrowing money at 4.7 percent and 5 percent under a rose which by any other name still stinks—and that is lease-purchase?

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. LOSER].

Mr. LOSER. Mr. Chairman, may I have my amendment read? It is an entirely different amendment. May it be read for information only?

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. LOSER, of Tennessee: On page 12, line 2, after the figure "\$310,900" strike out all the language thereafter through line 6.

Mr. LOSER. Mr. Chairman, this is an entirely different amendment from the amendment that has been discussed by the Members who have preceded me. I am asking unanimous consent for an additional 5 minutes to discuss my amendment—and not the amendment offered by, I believe, the gentleman from North Carolina.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

Mr. TABER. Mr. Chairman, since the time has been fixed limiting debate that cannot be done.

The CHAIRMAN. Does the gentleman from New York object?

Mr. TABER. Under the regular order of business, an objection is not necessary, but I would object if I have to.

The CHAIRMAN. The gentleman from Tennessee has asked unanimous consent that he be permitted to proceed for an additional 5 minutes. Is there objection?

Mr. THOMAS. Mr. Chairman, the time has been fixed. The hour is late and I will have to insist that the regular order be followed.

The CHAIRMAN. Does the gentleman from Texas object?

Mr. THOMAS. I do, Mr. Chairman.

The CHAIRMAN. Objection is heard.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. LOSER. I yield.

Mr. JONAS. The gentleman can offer his amendment after my amendment is voted on.

Mr. LOSER. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LOSER. Mr. Chairman, may I offer my amendment after the amendment of the gentleman from North Carolina has been voted upon?

The CHAIRMAN. The gentleman may do so, but there will be no time for debate on it.

Mr. LOSER. There will be no time to speak on the amendment?

The CHAIRMAN. That is correct.

Mr. LOSER. Mr. Chairman, I regret exceedingly that the very courteous and very genteel gentleman from Texas has objected to a little extension of time to enable me to discuss this amendment. Everyone who has spoken, with two or three exceptions, has assaulted lease-purchase. Everybody wants to get rid of lease-purchase. I say, to the Members of this body, strike out the language according to my amendment on page 12, lines 2, 3, 4, 5, and 6. Then, if that is stricken, if lease-purchase is the law now, it will remain the law. It is strictly amazing to me, I say to the members of the committee, that they have overlooked completely the language found on line 5, page 12; and listen to this:

No part of the funds appropriated in this bill may be used for purchasing sites, planning, or construction of any buildings by lease-purchase contracts except buildings used solely for post-office purposes.

So, in the future, any multipurpose bill for a public building that comes here will go to the Public Works Committee. Any bill exclusively for a post office goes to the Post Office Committee. If you want to revive lease-purchase, vote for this amendment. Then, if the Public Works Committee wants to approve a project for a post office, any Member of the House will have an opportunity to go before the Appropriations Committee and make his appeal for a direct appropriation, or he can go to the Post Office Department and appeal for a recommendation on lease-purchase. But, under this bill, lease-purchase is destroyed except solely for post-office purposes.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. LOSER] has expired.

(Mr. LOSER asked for and was granted an additional 5 minutes.)

Mr. LOSER. I heard the distinguished chairman of this subcommittee this morning say that under lease-purchase it costs 75 percent more than it does under direct appropriation to construct a public building. In other words, there is a post office in Houston, Tex., and one in Dallas, Tex., solely a post office building, that under lease-purchase, according to the committee report, will cost five or six million dollars more than it will under direct appropriation. Notwithstanding that fact, we find this most obnoxious provision in this bill on page 12, that destroys lease-purchase. In other words, there are dozens and dozens of post offices that have been approved by the Public Works Committee that will be cut off completely unless this language is removed from this bill.

I am satisfied that this distinguished committee, headed by my good friend

from Texas [Mr. THOMAS], will agree—he has already said so—that lease-purchase is bad and it ought to be destroyed, and it will be destroyed if it is not in force now. Some seem to think it is now effective. If so, a vote for this amendment will keep it in full force and effect. If it is already dead, the provisions of this bill will revive it for post office purposes exclusively. So I ask the Members to vote for this amendment. I am going to support the bill. It will enable you and you and you to go before the Appropriations Committee and make a reasonable request for an appropriation for the construction of a post office in your district. If this language remains in the bill, I say to you that you will not get an appropriation out of the Appropriations Committee, unless it comes through the Post Office Department. So I say that this amendment ought to be voted. This language should be stricken from the bill. Everybody seems to agree, except 2 or 3 Members, that this costs 75 percent more. Why not do what is right?

The gentleman from Texas [Mr. THOMAS], says that we ought to get rid of it. We all want to have post offices where they are needed. Under lease-purchase I say to the Members that they have taken bids on a little post office in my district three different times. Every time they have been rejected as being unsatisfactory. The interest rate is not sufficient to justify private enterprise to go into the contracting business under this lease-purchase.

There is nothing wrong with this amendment. It does not affect your bill in any way. All it does is give the Members of this House an opportunity to try to go before the Appropriations Committee and allow the construction of a post office under a direct appropriation. If this language remains in the bill, I want to warn you, and I know what I am talking about—I defy any member of the committee, including the very generous and the very fine and courteous chairman—to dispute it, if this language stays in the bill, no post offices, no building used exclusively for post office purposes, will be constructed unless the Post Office Department recommends it. The Appropriations Committee, as I understand, will not consider the construction of a solely post office building under a direct appropriation. Is not that right, Mr. Chairman?

Mr. THOMAS. I did not quite understand my friend.

Mr. LOSER. I thought the gentleman understood me.

Mr. THOMAS. No; I said I did not. Straighten me out.

Mr. LOSER. I will restate it.

Mr. THOMAS. The gentleman used a lot of language here. I want to cooperate.

Mr. LOSER. I know the gentleman does; the gentleman is just so kind and generous I could love him for it.

Mr. THOMAS. Ask the question now and I will try to answer it.

Mr. LOSER. I asked the gentleman whether the language on page 12, line 2, beginning with "Provided"—

Mr. THOMAS. I am familiar with the language.

Mr. LOSER. Very well; if that language remains in the bill construction work for exclusively post office purposes will continue to come through the Post Office Committee rather than public works.

Mr. THOMAS. That is the law today, and this language does not change existing law one iota.

Mr. LOSER. All right. Then the chairman says that the law is as I have stated. It will not hurt anything. Let us strike it out.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. OSTERTAG].

[Mr. OSTERTAG addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The gentleman from Missouri [Mr. CURTIS] is recognized for 2 minutes.

Mr. CURTIS of Missouri. Mr. Chairman, of course, this cannot be discussed in two minutes. I am very sorry the time was limited because this is a very serious matter; it involves half a billion dollars.

The main thing to which I wish to call attention is that this idea of lease purchase is not something the Government originated; it is a method that came from private enterprise where it has worked successfully for many years and is used by various businesses as an alternative method of contracting for and constructing a building themselves. It has been found that in certain instances it is economical; in other instances it is not. Whether it should be used depends on many factors. The advantage of building yourself has been pointed out by the opponents of the amendment in a very one-sided action. The advantages of having a building erected by a specialist in that field and leasing it from him on a purchase basis has its economic advantages; and, of course, an intelligent person looks at all factors to see what the comparative costs are. The statement in this committee's report in regard to costs is economic nonsense. It does not mean anything. There have been no details of the two programs brought out so that anyone can get value from it by comparison. The trouble is trying to debate this in an appropriation bill. If you want to kill lease-purchase do it directly in the committee that has charge of the matter so that we can debate the matter intelligently. Do not do it in this manner.

I do hope the House will support the Jonas amendment and then proceed in an orderly fashion to consider what is to be done with lease-purchase.

Mr. Chairman, under privilege of revising and extending my remarks, I wish to comment further with respect to the statement in the committee report, pages 3, 4, 5, which sets out alleged costs of direct appropriations and lease-purchase. Because I was confined to 2 minutes to

discuss this matter I had to speak in generalities instead of details, which I dislike. I commented that the aforementioned statement cited at pages 3, 4, and 5 which attempts to compare direct appropriations cost with lease-purchase cost was economic nonsense. Indeed it is. The figures used do not indicate the number of years lease-purchase covers. The figures do not show whether cost of maintenance and repair, taxes, and so forth, are included in the lease figures. Under the direct-appropriation formula, of course, the Government being the immediate owner, bears all these costs over the period covered by the lease-purchase agreement. The item of interest for capital investment is not allocated; indeed, without the time factor included, no one can possibly determine the item or any other item for that matter. Many other important factors are undisclosed.

In other words, the two columns of figures standing side by side, unexplained, mean little or nothing. I emphasize that the technique of lease-purchase was not dreamed up by the Federal Government. It was taken from private enterprise where it was found to be economically sound and valuable. Big business as well as small business resort to lease-purchase from time to time instead of building themselves for a variety of good, sound, economic reasons. In each case the costs of individual construction is compared with the cost of lease-purchase and many economic facts are evaluated prior to the proper election of method. This evaluation is absolutely essential. It is impossible to even attempt such an evaluation based on the incomplete data contained in the committee report.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, I ask unanimous consent to transfer my time to the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, the committee came in here with a report in which there appears the following statement:

The amount recommended over the Budget estimate in a few items are for the main purpose of fighting the depression and lessening the insolvency of the civil service retirement fund.

They are fighting a depression, but they want to take this language that is in here, on page 12 in the proviso, so that there will be a high interest between the time the bill becomes law and the first of July. Is that building up your construction work so that you can take advantage of whatever there is in employment and help people out who are out of employment, or is it kind of aiming the other way? If I was thinking about it I would figure it was the other way around.

We have had this lease-purchase proposition on the books. What happened? Already the General Services Administration has provided contracts for the construction of 15 of these buildings, beginning at the top of their list and running down 15 numbers through Durham, N. H. They will be able by the middle of May to provide contracts for the construction of 20 more and those are all on a good deal better basis than you have from what they quoted the General Accounting Office as saying. I will be perfectly frank with you. The General Accounting Office made a rather serious mistake in their figuring of what things would cost. In other words, they showed that there was a lot of interest to be charged against the Government on the lease-purchase contracts but no interest on the direct contracts. You all know that they would be paying the 3 percent interest just the same. The way they get those enormous figures for the difference in the two methods of doing business is by leaving out the interest that the Government has to pay anyway when it is running a deficit, and it sure is at this time and it is going to this year. If this is the spending program that the Committee on Appropriations has brought in so far, we will continue all next year to be running at a deficit. I think the only way we can get by with this is to adopt the Jonas amendment. Even that will give the committee what it is asking for, except that it bridges over the hiatus between the enactment of this bill and the 1st of July. Now let us vote for it.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. NEAL].

Mr. NEAL. Mr. Chairman, I might make one observation that I do not think has been made, and that is this. With the Nation in debt \$275 billion, having to borrow money to construct buildings now as compared with the lease-purchase plan, on which you pay interest for 25 years, is quite a problem, but with the amount of indebtedness we have and with no prospect of that indebtedness being reduced, it is most likely that we will be paying interest on the present appropriation in perpetuity. So, that is one phase of Federal indebtedness we ought to weigh carefully. I know that the provision in this law takes care of the project in my own hometown of Huntington. But we have been working on this project for 12 years. We contributed to the purchase of the site and looked longingly for direct appropriations to start construction. And now under the lease-purchase method we are ready to let the contract at a price of about \$650,000 cheaper than was estimated. This provision in the Jonas amendment will allow that project to be let to contract, and let us go along with the construction; otherwise, according to the terms of this bill, the construction would be postponed until 1959. The Government has already spent about half a million on this one project alone because it has been juggled so much. Now, this contract can be let for \$600,000 less than the amount originally estimated to cost. Why not let the Jonas

amendment be adopted and thereby let this project be built, together with other projects of like kind, and go along with immediate construction. The various Federal agencies occupying unsuitable rental quarters need this building now. If this amendment is adopted, the General Services Administration will award a contract, start construction, and relieve unemployment. What better way to ward off a crisis?

The CHAIRMAN. The Chair recognizes the gentleman from Tennessee [Mr. BASS].

Mr. BASS of Tennessee. Mr. Chairman, I would like to ask a question of the distinguished gentleman from Texas, the chairman of the subcommittee handling this bill. Am I correct in remembering that the President a few weeks ago stated that he was going to have a program of \$2 billion for building post offices in America?

Mr. THOMAS. I will say to the gentleman from Tennessee I think I remember seeing something in the papers about that. That is about all I know.

Mr. BASS of Tennessee. If the President had intended to carry out such a program when he announced it, would not your committee have been the logical place through which to request the funds to carry out that program?

Mr. THOMAS. If he is going to seek funds for a construction program, he certainly would go to the Committee on Appropriations. As far as I know, he has not done that.

Mr. BASS of Tennessee. You cannot build them with promises. Newspaper stories will not build post offices, and that is all we have had, Mr. Chairman, is a newspaper story about the President telling the American people "I am going to build \$2 billion worth of post offices." I get telegrams and letters from my constituents asking we about this, and about the only thing I can do is write back that the President did not absolutely intend to do it in the first place, because the President has not asked the Congress for the authority or the money with which to carry on such a program. And, I hope that if the President remembers he made such a promise, if he was aware that he was making it, and if he intended to carry out his promise, that he will request the Congress before we adjourn for the money to build post offices that are needed in my district and the other districts in the United States.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman, briefly.

Mr. JENSEN. Mr. Chairman, I notice that most of the post offices that are under appropriation in this bill are quite large post offices.

Mr. THOMAS. These are only multipurpose buildings in this bill, none of them are solely post offices.

Mr. JENSEN. I thank the gentleman.

Mr. THOMAS. Mr. Chairman, let us see if we can clarify the situation. My very good friend from North Carolina, whom I greatly admire, has offered an

amendment. What does his amendment do? His amendment really extends lease-purchase indefinitely. Let us see what the amendment offered by my friend from Tennessee does. That strikes out all the language and, of course, that extends it too. So there is no difference between the two and they both ought to be voted down.

Why do I say they both ought to be voted down? I have heard some very funny statements here, and they have come from some very fine, very good, patriotic, intelligent men. The very idea of saying that the General Accounting Office is guilty of economic nonsense. I have heard a lot of things said about many agencies, but nothing like that.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman.

Mr. CURTIS of Missouri. I was not talking about the General Accounting Office. I was talking about these figures that were put in there in that way, with no explanation.

Mr. THOMAS. Those figures are the figures of the General Accounting Office.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. Mr. Chairman, I do not want to get mixed up in any argument with my friend from New York, either.

Mr. TABER. Mr. Chairman, I was merely going to suggest that we have the Jonas amendment read.

Mr. THOMAS. Mr. Chairman, the General Accounting Office is not making any mistakes. They find that \$1 of direct appropriations will equal about \$1.65 or \$1.70 under lease-purchase. My friend from New York seldom is mistaken, but it is entirely probable and possible that that \$1 will be \$2 under lease-purchase. The Government has to borrow the money in both instances.

The General Accounting Office did not make any mistake. Do we want to substitute our judgment for the judgment of the best auditors of the country?

I am going to defend our friend, Mr. Floete, the administrator of the General Services Administration. You can let him down if you want to, but I am going to defend him. He says, "I went to the Bureau of the Budget and I asked them this year for \$400 million for direct appropriations." He tried hard to get that money because he knew the construction was needed. That is better than twice the amount we put in this bill. "Why, Mr. Floete, did you ask them for \$400 million?" He said, "I am too much of a Scotchman; I do not want to throw away the taxpayers' money."

He does not want to throw away 70 cents on every dollar. But that is what you are doing. Let us be honest with ourselves and everybody else. That is what you are doing and you know it—70 cents on every dollar. Mr. Floete says, "I do not want to do it, and I asked the Budget for direct appropriations." It is not Mr. Floete's fault. This is a high authority; and the word came out only about 10 days ago to my friends over there as to what to do. And you know I am telling you the truth—about

10 days ago. Lease-purchase has been on the books for 3½ years—it even expired last July 22. Yet the word came out last week to get busy and put lease-purchase back on the books.

Mr. Chairman, we cannot afford to throw away this money. Both of these amendments ought to be voted down.

Mr. O'HARA of Illinois. Mr. Chairman, while the committee has increased by \$75 million the appropriation for the National Science Foundation, and for that it is certainly to be commended, there will be disappointment with many of my constituents, and in that disappointment I share, that the committee did not allow the full \$140 million budget request. In the district that I have the honor to represent there is a keen realization of the tremendous importance of basic science and of the dependence of our future progress in vital areas on the National Science Foundation. No agency in the entire history of our country has in comparable time made such a large contribution to knowledge indispensable to the finding of the path into the tomorrow. It would be nothing short of a tragedy if to any extent whatever the great work of the National Science Foundation should be hampered, or prevented from reaching the apex of its possibility, by lack of money. In the reservoirs of basic science rests the future of our country. That, it seems to me, should be the guide to our consideration of the appropriation we should make for the National Science Foundation.

I am hopeful that the other body will restore at least the budget figure of \$140 million. It was most reassuring to learn from the remarks of my distinguished colleague from Illinois [Mr. YATES], a member of the committee, that there was the likelihood of such eventuality, some boost of the House figure, anyway. The gentleman from Illinois has given stout support to the Foundation from the first, indeed is one of its strongest champions, and in the event of disagreement he of course will be one of the House conferees.

The CHAIRMAN. The question is on the amendment offered by the gentleman from North Carolina [Mr. JONAS].

Mr. TABER. Mr. Chairman, I ask unanimous consent that the Jonas amendment be again reported.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

The Jonas amendment was again reported.

The CHAIRMAN. The question is on the amendment.

The question was taken; and on a division (demanded by Mr. JONAS) there were—ayes 106, noes 115.

Mr. JONAS. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. JONAS and Mr. THOMAS.

The Committee again divided, and the tellers reported that there were—ayes 123, noes 130.

So the amendment was rejected.

Mr. LOSER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. LOSER of Tennessee: On page 12, line 2, after the figure "\$310,900" strike out all the language thereafter through line 6.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Tennessee.

The amendment was rejected.

The Clerk read as follows:

#### OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

For necessary expenses of personal property management and related activities as authorized by law and not otherwise provided for; including not to exceed \$300 for the purchase of newspapers and periodicals; and not to exceed \$85,700 for expenses of travel; \$3,360,000: *Provided*, That to exceed \$1,865,000 of any funds received during the current or preceding fiscal year for deposit under section 204 (a) of the Federal Property and Administrative Services Act of 1949, as amended, and not otherwise disposed of by law, shall be deposited to the credit of this appropriation and shall be available for necessary expenses in carrying out the functions of the General Services Administration under the said act, with respect to the utilization and disposal of excess and surplus personal property, including not to exceed \$145,000 for expenses of travel.

#### EXPENSES, SUPPLY DISTRIBUTION

For expenses, not otherwise provided, necessary for operation of the stores depot system and other procurement services, including contractual services incident to receiving, handling, and shipping warehouse items; not to exceed \$250 for purchase of newspapers and periodicals; and not to exceed \$120,000 for expenses of travel; \$18,165,000.

Mr. THOMAS. Mr. Chairman, I move that the Committee do now rise. The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IKARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes, had come to no resolution thereon.

#### HOOR OF MEETING, THURSDAY, MARCH 27

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

#### AMENDING SECTION 161 OF THE REVISED STATUTES

Mr. BOLLING, from the Committee on Rules, reported the following privileged resolution (H. Res. 514, Rept. No. 1571) which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the

Union for the consideration of the bill (H. R. 2767) to amend section 161 of the Revised Statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Government Operations, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### INTERSTATE COMMERCE COMMISSION

Mr. BOLLING, from the Committee on Rules (on behalf of Mr. MADDEN), reported the following privileged resolution (H. Res. 515, Rept. No. 1572) which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 5124) to authorize the Interstate Commerce Commission to prescribe rules, standards, and instructions for the installation, inspection, maintenance, and repair of power or train brakes. After general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### EIGHTH OLYMPIC WINTER GAMES

Mr. BOLLING, from the Committee on Rules (on behalf of Mr. O'NEILL), reported the following privileged resolution (H. Res. 516, Rept. No. 1573), which was referred to the House Calendar and ordered to be printed:

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 3262) to authorize certain activities by the Armed Forces in support of the VIII Olympic Winter Games, and for other purposes. After general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Armed Services, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

#### HELP THE UNEMPLOYED FIRST

(Mr. LANE asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. LANE. Mr. Speaker, in a complex economy such as ours there is no one single solution for an economic decline.

Even if we had the wisdom to know all the answers we could not put them to work simultaneously.

It is obvious that one remedy must come before all the others, and that one is the necessity of helping those who have no jobs.

The quickest way of doing this is to extend the duration of unemployment insurance for those whose benefits have dried up.

Some of these people have no reserves to draw on.

They are not getting 1 cent of income.

There are no job openings for them.

Their unemployment insurance checks have stopped.

These people are in distress. They are worried. They need help.

The President and the Congress are considering various other measures which, even if they are approved, will take time to be of practical benefit to those who are presently unemployed.

What are the unemployed going to do in the meantime?

One bill which deserves our immediate approval would extend unemployment benefits for 16 weeks.

By the end of that period other measures to reverse the downward trend should be taking effect.

The extension of jobless payments is imperative. The fact that the House took only 1 minute to push through the \$1,850,000,000 housing bill as the first antirecession measure, is proof that the Congress can move just as fast to extend unemployment compensation on an emergency basis if it wants to.

In the State of Michigan 5,577 workers exhausted their benefits in December, 9,000 in January, and 10,500 in February. These figures will pyramid rapidly unless relief is provided soon.

As of March 22 there were 252,272 persons out of work in New England, according to continuing claims for unemployment compensation. When we consider that only two-thirds of the Nation's workers are covered by this program, the number of unemployed must be considerably higher than the statistics indicate.

Extended benefits would prevent a loss of purchasing power and would thus help to hold the line against a further shrinkage of consumer spending.

Many of us believe that the Federal Government should finance benefits for an additional 16 weeks by outright grants and as a shot-in-the-arm injection to relieve the distress of unemployment.

There are those who have different opinions as to details, but no one questions the need of taking some action on this problem.

The unemployed look to us for assistance.





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued March 28, 1958  
For actions of March 27, 1958  
85th-2d, No. 50

## CONTENTS

Acreage allotments.....7,12,28		
Adjournment.....16		
Agricultural appropri- ation.....1		
Appropriations.....1,18,30		
Atomic energy.....8		
Broomcorn.....6		
Buildings.....22	Feed.....6	Price supports.....7,12,20
Corn.....2	Food and drugs.....1	Reciprocal trade.....13
Cotton.....28	Foreign aid.....17,31	Reclamation.....29
Dairy products.....7,20	Foreign trade.....17,26	Roads.....5,33
Durum wheat.....15	Forestry.....5,33	Small business.....25
Education.....9	Freight rates.....11	Soil bank.....2,25
Easter recess.....4	Labor standards.....32	Unemployment compensa- tion.....14
Electrification.....24	Lands.....23	Water pollution.....27
Farm labor.....1	Legislative program.....15	Weather control.....3
Farm program.....19	Personnel.....21	

HIGHLIGHTS: Senate passed road authorization bill. Senate majority policy committee urges President to sign measure to freeze price supports and acreage allotments. House passed: Independent offices appropriation bill. Labor-HEW appropriation bill. House agreed to conference report to permit soil bank payments to certain producers who exceeded corn acreage allotments.

## HOUSE

1. APPROPRIATIONS. Passed without amendment H. R. 11574, the independent offices appropriations bill for 1959 (pp. 4989-95). Rejected, 49 to 85, an amendment by Rep. Ostertag to increase the GSA general supply fund by \$15 million (pp. 4989-90). Rejected an amendment by Rep. Porter to earmark \$40 million of the National Science Foundation appropriation for basic research in colleges (pp. 4994-5).

Passed with amendment H. R. 11645, the Labor and Health, Education, and Welfare Departments appropriation bill for 1959 (pp. 4995-5019). The bill was amended by deleting three sections on which points of order were sustained, including a proposed requirement that the U. S. be reimbursed for expenses under the Mexican farm labor program (pp. 5018-19). Rep. Sullivan recommended a larger amount for the Food and Drug Administration (pp. 5004-7). Rep. Laird criticized the Budget Bureau and certain budgetary actions (pp. 5008-9). Rep. Marshall criticized the reduction in Labor apprenticeship and training programs, especially as "The present policy of the Department of Agriculture seems to be to improve the per capita income position of farmers by encouraging them to take advantage of non-farm income," and trained workers are preferred (p. 5016).

Agreed to allow the Appropriations Committee until midnight Fri., Mar. 28, to report the agricultural appropriation bill. p. 4988

Agreed to allow the Appropriations Committee until midnight Fri., Mar. 28, to report a joint resolution providing for advance procurement of supplies and equipment by Government agencies, to accelerate Federal expenditure programs. p. 4995

2. CORN. Adopted the conference report, as agreed to by the Senate, on H. R. 10843, to permit soil bank payments to certain corn producers in the commercial area who exceeded their corn acreage allotments. This bill will now be sent to the President. p. 4989

3. WEATHER CONTROL. The Interstate and Foreign Commerce Committee ordered reported with amendment S. 86, to authorize research in cloud modification. p. D269

4. EASTER RECESS. Both Houses adopted without amendment H. Con. Res. 303, to provide for an adjournment of both Houses from April 3 to April 14. pp. 4988, 4934

#### SENATE

5. ROADS. Passed, 84 to 4, with amendments H. R. 9821, the road authorization bill, after substituting the language of similar bill S. 3414, as amended. S. 3414 was indefinitely postponed. pp. 4935, 4939-41, 4949-72

Rejected an amendment by Sen. Mansfield which would have authorized the waiving of all matching requirements for Federal funds allocated under the Federal Highway Act for a period of 1 year, with a \$15 million maximum on primary and secondary systems, a \$20 million maximum on the Interstate System (pp. 4939-41); and an amendment by Sen. Case to strike out the provisions of the bill providing for a 70-30 matching formula (for the extra \$4000 million for primary and secondary roads) in States with large areas of public lands (pp. 4965-68).

Agreed to an amendment by Sen. Case to require a certification by the States upon submission of plans for Interstate System projects that public hearings have been held in rural areas to enable persons whose property will be affected by the highways to express any objections to the proposed location of the highway. pp. 4941-50

Conferees were appointed on the bill. p. 4971

6. EMERGENCY FEED; BROOMCORN. Sen. Kerr inserted resolutions from the agriculture committee of the Okla. State Legislative Council objecting to this Department rechecking all applicants approved for emergency feed relief during 1956 and 1957 for the purpose of redetermining eligibility of the applicants, and favoring an increase in tariff on the importation of broomcorn. p. 4920

7. PRICE SUPPORTS. Sen. Humphrey inserted a letter and ~~article~~ urging the President to sign the resolution to freeze acreage allotments and price supports, and an article stating that this Department is preparing "to make heavier than normal purchase of dairy products between now and April 1, when new and lower price supports go into effect." pp. 4944-45

Sens. Thye and Proxmire inserted telegrams received opposing a reduction in the price supports for dairy products, and urging that the President sign the resolution which would freeze such price supports. pp. 4929, 4932

8. ATOMIC ENERGY. Sen. Anderson inserted the speech of Rep. Durham, chairman of the Jt. Atomic Energy Committee, "Current Problems in the Atomic Power Development," including a discussion of the civilian atomic-power program. pp. 4925-27

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 32]

Allen, Calif.	Dorn, S. C.	Powell
Baring	Engle	Radwan
Boggs	Gordon	Ralns
Buckley	Grant	Reece, Tenn.
Burdick	Gwinn	St. George
Celler	Hébert	Scott, Pa.
Chiferfield	Holifield	Shuford
Clark	Holland	Sieminski
Coffin	James	Taylor
Colmer	Kean	Teague, Tex.
Cooley	Krueger	Thompson, La.
Curtis, Mo.	Morrison	Vorys
Dies	Rassman	Willis
Diggs	Pullon	

The SPEAKER. On this rollcall 382 Members have answered to their names.

By unanimous consent, further proceedings under the call were dispensed with.

#### SOIL BANK CONTRACTS IN COUNTIES BROUGHT INTO COMMERCIAL CORN AREA

Mr. POAGE. Mr. Speaker, I call up the conference report on the bill (H. R. 10843) to amend section 114 of the Soil Bank Act with respect to compliance with corn acreage allotments, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of March 25, 1958.)

The conference report was agreed to.

A motion to reconsider was laid on the table.

#### INDEPENDENT OFFICES APPROPRIATION BILL, 1959

Mr. THOMAS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 11574, with Mr. IKARD in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the Clerk had read down to and including line 3 on page 13 of the bill.

Mr. OSTERTAG. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. OSTERTAG: On page 13, after line 3 and before line 4, insert a new paragraph as follows:

#### "GENERAL SUPPLY FUND"

"To increase the general supply fund established by the Federal Property and Administrative Services Act of 1949, as amended (5 U. S. C. 630g), \$15 million."

Mr. OSTERTAG. Mr. Chairman, this amendment seeks to restore to the independent offices appropriation bill and in particular to the General Services Administration \$15 million for the general supply fund. Permit me to call your attention to the fact that this is not a spending item. This does not mean we are appropriating more funds to be spent by the General Services Administration or any other agency but rather it is merely to increase the supply fund or the capital of the supply fund by \$15 million. In other words, this \$15 million will remain within the supply fund either in goods or in money.

Mr. Chairman, in increasing the general supply fund of the General Services Administration by \$15 million it will raise the total amount of the Fund to \$93 million instead of the existing \$78 million as the fund is currently capitalized. This is necessary in the interest of efficiency and economy. It has been pointed out to the committee that during fiscal year 1959, the sales from the inventory of the fund will amount to \$302 million. That is during fiscal year 1959. This is an increase in sales from the inventory of \$38 million. This added capital will bring about better management and bring about an increase in the turnover of from 2½ to 3 times each year.

There are two principal reasons for this amendment. One is to meet the need for an increase in the inventory. The main reason there is the fact that the General Services Administration through the supply fund has taken over the management of furnishing supplies to the military, and more particularly to supply the Air Force or support the Air Force on a worldwide basis, particularly with reference to common use items. I understand the Air Force will acquire over \$8 million in supplies this next year of common use items on a worldwide basis. The other reason for the increase is that \$7 million will be required to furnish supplies and equip 16 new motor pools, which have been provided for under Public Law 766 of 1954. This development will reduce the total number of cars to be used by agencies throughout the Federal Government. This, too, will achieve a great deal of savings and economy, and it will bring the total equipment of cars in the motor pool to a value of some \$18 million. Because of this increase in business and because of this increase in the general operation of the supply fund, there will be a need to carry an additional \$1,800,000 in the accounts receivable. So all told this increase of \$15 million in the supply fund will bring about greater efficiency and greater economy. This adjustment is necessary to provide the elbowroom essential to an orderly operation in the purchase of supplies for Government agencies.

Mr. TABER. Mr. Chairman, will the gentleman yield for a question?

Mr. OSTERTAG. I am happy to yield to the gentleman.

Mr. TABER. Is it not also true that it would permit the general supply fund to take cash discounts on a lot of things that it does not have the funds available for now?

Mr. OSTERTAG. Absolutely.

Mr. TABER. And that will save a great deal of money; will it not?

Mr. OSTERTAG. Yes; I believe that to be true. In the committee report the reason given for dropping the \$15 million from the budget was that the agencies should make their payments much more expeditiously and with greater speed. The average turnover, or the average time lapsing between the purchases and payments today is 45 days, and they tell me that is a good record and cannot be improved to any substantial degree.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield.

Mr. TEAGUE of California. I should like to know whether this amendment has the support of Franklin Floete, the Administrator of the General Services Administration.

Mr. OSTERTAG. Yes, this \$15 million of course, was requested not only by the General Services Administration, but it was approved by the budget. May I remind you again that this is not appropriating money to spend but merely to increase by \$15 million the capital in the general supply fund? I trust that my amendment will prevail.

The CHAIRMAN. The time of the gentleman has expired.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 10 minutes, with 5 minutes reserved for the committee.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina [Mr. JONAS].

Mr. JONAS. Mr. Chairman, I would not support this amendment if it involved spending \$15 million. I am anxious to reduce the funds authorized to be spent by this bill. The amendment is simply an effort to provide additional capital to enable the General Services Administration to operate the supply system of the Government in a more efficient and economical manner. I am particularly concerned because of my interest in the motor pool operation. It is out of this fund that GSA finds the money to finance the purchase of automobiles which it uses in the motor pools. It will be used to finance an additional 16 pools that GSA expects to establish during the next fiscal year. As I pointed out yesterday in general debate, the motor pool operation has proved that it will save the taxpayers substantial sums of money. The actual amount of money saved in 1958 will be \$3,170,000; and in 1959, \$4 million annual savings is projected.

It seems to me it would not be wise for us to impair the capital in the supply fund, which is used to finance a \$300-million-a-year operation. As I have pointed out, and as the gentleman

from New York [Mr. OSTERTAG] stated, the amendment does not involve spending any money at all; it simply provides much needed additional capital which will enable General Services to do a better job of purchasing and handling the vast quality of supplies and personal property used by the various agencies and departments of the Government. Restoration of this item of capital will not cost the taxpayers a single dime but will enable substantial savings to be accomplished over the years.

The CHAIRMAN. The gentleman from Texas [Mr. ALGER] is recognized.

Mr. ALGER. Mr. Chairman, I yield back my time.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. VURSELL].

Mr. VURSELL. Mr. Chairman, there is no question in my mind but what this \$15 million should be written back into the bill. It is easy to arrive at a conclusion that that should be done when you understand the purpose of it. General Services Administration is one of the great buyers that serves other departments of government, and the Congress has placed that responsibility upon the General Services Administration, with the result that they buy for the military, they buy for various other departments of government, and save the Government a great deal of money. Mr. Floete has discussed this matter with me not later than this morning. I think every one on the committee recognizes Mr. Floete as a good business man and that he is doing a remarkable job. We can increase the efficiency and this Department can take their discounts, which is important. In the end it does not spend a dollar from the spending standpoint. It is only giving a revolving fund sufficient money for a high-grade businessman in government to properly handle the business that comes to him, and that is brought to him by Congress.

There is no question in my mind about it and I hope that the gentleman from Texas, Chairman of the subcommittee, might accept this amendment because there is not any question but what they have tightened the time for these services up to 45 days. It used to be 65, then 55, and now it is 45 and they have reached the limit.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, it is not easy to disagree with my distinguished colleagues on the subcommittee. When we marked up this bill there was no disagreement. There is no question about what is involved here. I would be the last individual to want to cripple the operation. There is not a penny involved in the day-to-day operation of those motor pools.

Mr. Chairman, let us see what is involved here. When they appeared before the committee we asked the General Services Administration: "Why do you need this additional \$15 million?"

What did they say? They said, "Why, these agencies whom we supply will not pay their bills on time. They owe us \$39.1 million today and if they would pay

their bills on time we would not need a nickel."

I said, "Suppose the committee writes the Director of the Bureau of the Budget and asks him to ride herd on the agencies and make them pay their bills on time, would that relieve the situation?"

Why should they not do that? They have the money. It has been appropriated to every agency and it should not take more than 5 days. Yet they are taking 45, 50, and 60 days.

What did the General Services Administration say? "O. K., that will get the job done."

What did we do? We wrote the Director of the Bureau of the Budget like we said we would and asked him to request the agencies to pay their bills on time. They already have the money. Why should GSA have to wait 45 days for the \$39 million the agencies owe?

The Director of the Budget sent us a copy of a letter to other agencies about 5 o'clock yesterday afternoon. I will read it, Mr. Chairman:

*To the Heads of Executive Departments and Establishments of the Government:*

Each agency head should take immediate action to expedite payment of bills owed the general supply fund, and to assure that future bills are paid promptly, so that procurement to replenish the stock of the fund will not be delayed.

Mr. Chairman, they do not need this \$15 million. All they have to do is to get a little action and have the agencies pay their bills on time. These agencies of the Government have the money now.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from New York.

Mr. OSTERTAG. The chairman is basing his position—

Mr. THOMAS. I have not misstated a fact so far, have I?

Mr. OSTERTAG. I am not aware of any misstatement.

Mr. THOMAS. All right.

Mr. OSTERTAG. The chairman is basing his contention on the whole question of payment of the bills on the part of the agencies to the General Services Administration.

Mr. THOMAS. I know my friend wants them to do that.

Mr. OSTERTAG. The purpose of the amendment and the need for the \$15 million is not related to the time involved in the payment of bills. The point is the GSA expects to increase their sales over a period of the next year some \$38 million, including \$6½ million in Air Force overseas support. They are expected to equip 16 motor pools which will take \$7 million in capital funds to do the job. These are the principal reasons for the added \$15 million for the general supply fund as provided in my amendment.

Mr. THOMAS. Let me give my friend the figures. We have 12 stores. That is where the big expense is; that is where the big volume is done. During this fiscal year they will sell \$147 million worth of merchandise. And that is quite a bit. They have about \$80 million in the fund now. Next year they want to go up to \$163 million. They expect to increase

their sales \$16 million in the 12 stores, and yet you want to put \$15 million extra capital in the fund to take care of \$16 million of sales. Gentlemen, we do not want to cripple them. We want them to have a little business judgment, and I ask that the amendment be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. OSTERTAG].

The question was taken; and on a division (demanded by Mr. OSTERTAG) there were—ayes 49, noes 85.

So the amendment was rejected.

The Clerk read as follows:

OPERATING EXPENSES, NATIONAL ARCHIVES AND RECORDS SERVICE

For necessary expenses in connection with Federal records management and related activities as provided by law; and not to exceed \$50,000 for expenses of travel; \$7,293,000.

Mr. MILLER of California. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER of California: On page 13, line 9, strike out "\$7,293,000" and insert "\$7,333,000."

Mr. MILLER of California. Mr. Chairman, I almost hesitate to offer this amendment because I am not asking for millions, not even one million. I am asking for a mere \$40,000 to be added to the operating expense for the National Archives and Records Service so that we can start the project to compile, preserve, and publish the records from the 1st to the 15th Congresses. The records of the Continental Congress have been published under the Minutes of the Continental Congress, but it was not until 1817 that they began to keep a record of the Congress as we know it today. It was known then as the Annals of Congress until about 1870 when it took the form of the CONGRESSIONAL RECORD. For the first 30 years of this Government then there is no formal record available of what the Congress did. There are documents in the Archives; there are documents in the Library of Congress, and there are documents in other depositories some of which have found their way into university libraries and into historical societies throughout the country. These irreplaceable records can be lost and destroyed, and the longer we delay their publication the harder it is going to be to get the complete documents together, to preserve a continuous record of this Government from the date of its founding in 1789 until today. We must plug to gap between 1789 and 1817. The work will take about 6 years to complete. It is one of the projects recommended by the National Historical Publications Commission on which I have the honor to represent this House. On that commission there is also a Member from the Senate, as well as the House, and 8 distinguished historians drawn from throughout the country.

Now, what are we asking for? Less money per year than it costs to publish the CONGRESSIONAL RECORD for 3 days. Yesterday I went to the Public Printer and I said, "How much does it cost to publish the CONGRESSIONAL RECORD for one day?" He said, "\$81 a page." There are 240 pages for the CONGRESSIONAL RECORD that I hold in my hand. This

RECORD is of the day before yesterday and it cost about \$19,500 to print and preserve for the future. The one of yesterday will cost as much, and the one today will cost as much. We are asking for approximately \$40,000 to start this project.

True, it is going to take about 5 years. But I submit, should not these records be made available to you and to me and to the historians of the country?

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. MILLER of California. I am glad to yield to the gentleman.

Mr. THOMAS. There is some dispute as to who should do this work. The Clerk of the House maintains that these papers under the reorganization bill—and I have the authority for that if the gentleman wants me to read it—really come under the control of the House of Representatives, and particularly its agent, the Clerk. These papers are not subject even to a writ of duces tecum by the court. So there is some dispute as to who should do this work.

The committee thinks it is a matter of great historical importance and it ought to be done, but I wonder if the gentleman would withdraw his amendment so that we may put the funds under the contingent fund of the House and then have the Speaker direct that it be done through his office.

Mr. MILLER of California. I would have no objection to that as long as we have some assurance that the work would be done.

Mr. THOMAS. Then we will keep everything straight.

Mr. MILLER of California. May I say to the gentlemen that we are preserving the papers of the Presidents. We are getting universities, public foundations to do this work. There is over \$1½ million going into that now. All I wanted to make sure of is this. I just want to make sure that the money will be available and that the work will be done.

Mr. THOMAS. Will the gentleman yield further?

Mr. MILLER of California. I yield.

Mr. THOMAS. Under those circumstances I suggest to the gentleman that he withdrew his amendment, let us put this item under the Contingent Fund of the House in the proper bill, and we will all get behind it and push it through. I assure the gentleman we will help.

Mr. MILLER of California. If my good friend will assure me of that, I shall be glad to withdraw my amendment.

Mr. Chairman, I ask unanimous consent to withdraw the amendment which I have offered.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

OPERATING EXPENSES, TRANSPORTATION AND PUBLIC UTILITIES SERVICE

For necessary expenses of transportation and public utilities management and related activities, as provided by law, including not to exceed \$60,000 for expenses of travel; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$75 per diem for individuals; \$1,800,000.

Mr. ALGER. Mr. Chairman, I move to strike out the requisite number of words.

(Mr. ALGER asked and was given permission to revise and extend his remarks.)

Mr. ALGER. Mr. Chairman, I take this time because of an exchange yesterday with the distinguished gentleman from Texas. This is to be found at page 4784 of yesterday's RECORD. I find this report coming out in the name of all of us. It says, "We are fighting the depression." There is not anyone here who is not concerned about the economic health of this Nation. Surely there is not anyone here, from either party, who can take full credit or place discredit on how we can go about solving the economic problems in this country. We are all interested. I make to you a nonpartisan plea.

I say to you frankly we are not in a depression. I submit to you if we had a vote on the floor of this House today on whether we are in a depression right now, we would have a resounding majority saying, "No, we are not," no matter what the bellwethers may be. Yet this committee report says, and the gentleman yesterday substantiated it—I wanted to hear it from him—that we are fighting the depression. I say we are using the wrong language, and wrong language from this Congress is most dangerous to the Nation's economic health.

First of all, let me tell you why we are not in a depression.

Savings are at an all-time high. Income in February of this year was the highest February in the history of the Nation.

As to employment: Let me give you a few figures. Unemployment at this time is 5.4 million out of a work force of 67 million. That is about 7.6 percent of the working force of this Nation. In 1950 President Truman said that "a certain amount of unemployment, say, 3 to 5 million, is supportable. It is a good thing that job seeking should go on at all times. This is healthy for the economic body." In 1950 we had 7.6 percent and no one proclaimed this a depression—4,800,000 out of a total work force of 63 million unemployed in our economy. In 1954 and 1955 we had a recession scare. We did not get rattled and we came out of it to go on to new heights. Slow downs in growth are a part of normal growth in a free enterprise system.

After 6 years of the New Deal we had 20 percent of the people unemployed, 10,400,000 out of a work force of 54 million. The New Deal principles did not work in solving unemployment.

Incidentally, let me say that when the civil construction acceleration bill was before us last week, the distinguished gentleman from Georgia, the chairman of the committee, said that we did not want to cause alarm to the public and certain words were stricken from the bill, if you recall, to establish correct perspective in the current economic situation. I protested at that time. The gentleman assured me this was not doubletalk of any kind. Last week it was

an alleged recession to some, now the gentleman from Texas says we are in a depression. All right. If this is to be considered a depression, which I maintain it is not, we are still going about curing it the wrong way. Do we have economic problems? We certainly do. We have a terrific debt, we have staggering taxes. So if we are going to cure the recession, if that is what it is, and I maintain it is only a readjustment, normal, and usual in free enterprise, if we are going to cure it we are using the wrong cures. We are using the New-Deal method of spending public money. This is not the way to get a tax cut, and a tax cut is always one way to help. I am glad so many now accept this truth which they did not under the "tax, tax, spend, spend, elect, elect" philosophy. Now, we should build confidence. We cannot do it always by passing another law, but we can scare people into a depression. Would anybody here do that for political gain? I hate to think so. I merely say to the gentleman from Texas and all my colleagues it is wrong to put out a report at this time saying we are in a depression. We are not in a depression. I am putting in the RECORD every day a little story, The Story of Free Enterprise, less than 300 words, trying to prove to you what I think are the lessons and axioms of this Nation's greatness. Lessons we should never forget.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman from Illinois.

Mr. MASON. Yesterday under questioning the Secretary of Labor acknowledged that the number of unemployed today was exactly the same percentage as the number of unemployed at the time the gentleman mentioned, 1950, 7.6 percent. We did not then say we were in a depression, we did not then say it was a great national crisis, we did not then say it was a tremendous emergency, that we must do something. Why are we saying it today? That is what I want to know, and that is what I asked him.

Mr. ALGER. I cannot answer the gentleman, for I don't know what's in the minds of the other gentlemen, but now I direct the question to the gentleman from Texas [Mr. THOMAS], whom everybody in this House respects: Does the gentleman think we are now in a depression, as the committee report states?

Mr. THOMAS. My distinguished friend from Dallas has made a very capable speech, and he has convinced me all the more that we are in a very serious depression.

I can construe the gentleman's words to mean but one thing. Does the gentleman mean he does not need that big \$24-million building for Dallas? If the gentleman does not, let him say so. Does the gentleman mean they do not need that big building there to help things out?

Mr. ALGER. Does the gentleman want me to answer that?

Mr. THOMAS. I am asking the gentleman.

Mr. ALGER. Let me put it this way, and I will put myself in the same posi-

tion I have taken ever since I have been here. Yes, I will give up the project in Dallas, along with all my colleagues at this time, in the spirit of tightening the belt, as we said at the time the sputnik went up and there was talk about how we will meet the Russian challenge. I will do that, expecting to cut taxes and reduce the debt within a balanced budget. I will gladly give up that project. This project means a good deal to Dallas, but not so much that we are not interested more in cutting taxes, but only in a legitimate way, and that is by first cutting Government spending. Further, this building is proposed for definite reasons such as consolidating Government offices. It is not intended as a make-work project. If, I say to my colleague, others will give theirs up, certainly I will. It is popular on the floor, of course, to attack those Members who are unwise enough to make such a politically foolish statement, I suppose, as I have made. This is not and should not be a political move. I am speaking for the people back home who will give up things costing Federal money in order to cut taxes.

Mr. THOMAS. Does the gentleman want to cut unemployment, too?

Mr. ALGER. I think the picture in Dallas, Houston, and the rest of the Nation, as I have just said to the gentleman, is not nearly so serious as some represent it to be.

Mr. THOMAS. Almost the next thing to a serious, fatal illness is to have the breadwinner of the family without a job.

Mr. ALGER. I would answer the gentleman by saying the Government is not set up to take care of each and every family in this Nation. We cannot through laws in this body secure the future of everyone. We can redistribute the wealth, we can all go broke, take away from those who have and give to the have-nots. This is not actually the function of government. I would say, rather, there are other ways we can help. We can give people back their tax money and let them buy shoes, and so forth, instead of us in Congress redistributing the taxpayers' money.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I yield to the gentleman.

Mr. PERKINS. Mr. Chairman, I would like to ask the gentleman if he is well aware of this fact.

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. ALGER. I will gladly take all the time that the Members of this body will permit me to have in order to answer the gentleman's question or other questions.

The CHAIRMAN. The time of the gentleman from Texas has expired.

The Clerk read as follows:

No part of any money appropriated by this or any other act for any agency of the executive branch of the Government shall be used during the current fiscal year for the purchase within the continental limits of the United States of any typewriting machines except in accordance with regulations issued pursuant to the provisions of the Federal Property and Administrative Services Act of 1949, as amended.

Mr. VURSELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rather hate to say anything at the present time because my remarks might be thought to be directed at our chairman whom I admire greatly and who I think is one of the great Members of this House who has rendered great service. However, I had thought if time permitted this morning that I would say something hoping that it might have some influence on the conferees when this bill leaves the House, if it does leave the House, without the proviso being stricken out which would prevent the building of 34 post offices at a cost of \$55,820,000—all of which could be let between now and July 1 under the Lease-Purchase Act.

If we are entering a recession as some of you say, or if we are in a depression, I shall have to return to the remarks offered by the gentleman from New York [Mr. TABER] yesterday. Mr. TABER said if we are in a recession, we are certainly pointing the gun in the wrong direction if we stop the lease-purchase construction when hundreds of thousands of dollars have been spent in getting ready to build these Federal buildings that will employ thousands of workers. In the past, construction costs were so high contracts could not be let. Now we are able to get plenty of bids at reasonable rates of interest that will employ thousands of people and get the job done quickly. Yet, this Congress that says it is afraid of a recession will not permit us to keep this proviso and put these 34 Federal buildings, under contract between now and July 1. I do not think on second sober thought you will want to take the responsibility of wrecking the lease-purchase program and prevent the construction of this program, which is needed and will give employment to thousands of people.

Mr. OSTERTAG. Mr. Chairman, will the gentleman yield?

Mr. VURSELL. I yield.

Mr. OSTERTAG. The gentleman referred to post-office buildings, and I am sure the gentleman means multipurpose public buildings; does he not?

Mr. VURSELL. That is right.

Mr. Chairman, let me go a little bit further. I do not recall any Republican on the floor of the House in 1950 saying anything about a terrible, tragic depression that was enveloping and encompassing this country and wanting to start a crash construction program all over the United States and going further into deficit spending. I do not recall any Republican on this side of the House saying that. And we had a work force of 56 million people at that time, and we had 4,800,000 people out of work. Truman was President then. What did he say? None of you criticized him. I have searched the CONGRESSIONAL RECORD back to that time, and I find no criticism from any of the Democratic leaders of President Truman. He said, let me quote what he said then, "It is a good thing to normally have 3½ million to 5 million people out of work, looking for jobs. It is healthy for the economy of this country." Is that not what he said? Of course, that is what he said.

Yet, here we have in 1957 a work force of 67 million, and we have had a rolling

broad expansive prosperity enveloping the land for the past 4 years. Now we have had one of the worst seasons that we have ever had to keep men out of the fields and to keep men out of the shops these past 3 months, and these conditions are with us right now, together with the normal slack in employment.

Due to this seasonable slack, high inventories, and other conditions, there has come a slowdown in business and about 5 million people are unemployed. A less number percentagewise than the Truman recession of 1950.

Of course, unfortunately the Korean war broke out June 26, 1950, and turned the Truman depression into a wartime Democrat prosperity and increased inflation.

We had a slight recession under President Eisenhower in 1954, but we beat it back with a tax cut of \$7¼ billion, followed in 1955 and 1956 with the greatest peacetime prosperity this Nation ever witnessed.

Our overall economy is sound and we still have 60 million people employed. The people own many more billions in savings today than back in the Truman depression in 1950.

Now some of your Democrat leaders want to throw the budget out of balance; you want to recklessly appropriate and spend billions and billions of dollars for public works; crash programs; and go back to deficit spending and increased inflation with which you have been so familiar in the past.

The Democrat leaders of this Congress are trying to make the American people lose confidence in the President and his policies. They are trying to take over and run the Executive Department of the Government, and you know it just as well as I do. I think it is about time that we quit trying to talk this country into a depression. Some of the Democrat leaders tried it in 1954, some of the leaders of the Senate particularly, and they were not able to do it. It is time to quit trying to talk the Nation into a depression and restore full confidence in this Government.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. VURSELL] has expired.

The Clerk read as follows:

#### ADMINISTRATIVE EXPENSES

For administrative expenses of the Public Housing Administration, \$11,800,000, to be expended under the authorization for such expenses contained in title II of this act.

Mr. DINGELL. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have heard a great deal of oratory in this House as to whether or not we are in the midst of a depression or recession. I would like to quote the remarks of the distinguished leader—if he is not the distinguished leader of the Republican Party, I wish somebody over there would correct me—the present occupant of the White House, President Eisenhower, who recently had a press conference and called this situation we are presently facing "a depression." That word so appeared in the official transcript of the press conference.

I would like to go a little further and tell my colleagues on the Republican side—

Mr. MARTIN. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I do not yield at this time.

Mr. MARTIN. For a correction. Did he not correct that himself?

The CHAIRMAN. The gentleman refuses to yield.

Mr. DINGELL. To go a little further, I would like to tell the distinguished minority leader and some of his colleagues the situation that does face this country. In the city of Detroit we have 305,000 people out of work. In the State of Michigan we have 415,000 or 420,000 out of work. This is about 15 to 18 percent of the work force. Detroit is not the worst city in the country and Michigan does not lead this country in unemployment, but there are many other States and many major cities, represented by members of the Republican Party, which are in worse shape than my own State and my own city.

I would like to point out to the distinguished Members on the Republican side that we are now faced by another problem of workers who have been drawing unemployment compensation and are now going off the rolls. From the remarks we have been hearing recently, this lack of increase in unemployment compensation is a sign of prosperity. That is patently false, because what is really happening is that those workers are moving off faster than they are going on, but they are going off because they have exhausted their benefits at the highest rate in history.

Mr. VURSELL. Mr. Chairman, will the gentleman yield for a friendly question?

Mr. DINGELL. I will yield for a friendly question, but I would like to finish my explanation here first.

I would like to point out to my dear friends and colleagues in this House that as early as the first of February we were informed that there were 45 major cities in this country—and this is by the Secretary of Labor—which had unemployment in excess of 6 percent. Since that time all agree the situation has worsened considerably.

I would like to point out to my colleagues on the other side of the aisle that since this time even these major cities find that this—I believe the phrase is Eisenhower prosperity—has increased substantially since then and that today we have States like Oregon, Washington, Montana, Pennsylvania, West Virginia, and other States now facing unemployment at the rate of about 14 to 15 percent. One thing to be remembered about this is that the way figures are handled the extent of unemployment does not show up in them.

And I want to point out to my colleagues that a part of the real unemployment that does not show up in the statistics is the partial work week, people working maybe 2 or 3 days a week, maybe 1 day a week. I had a constituent write me, saying that it was not unemployment, but they were just starving to death slowly. They let the men

work just enough so that they cannot draw unemployment compensation.

What does this mean? It means that the workweek has dropped from 40 hours to less than 38 hours. This is a loss of over 2 million man-hours per week, or, put another way, is equivalent to another 2 or 3 million unemployed, over the official figure of 5.2 million—a figure which is now almost a month old and which does not, by official admission, include large numbers of those actually unemployed.

These are not my figures; they are put out from official sources, from the present administration, if you please.

What we of the Democratic Party say to our brothers on the other side of the aisle is this: Join with us, help us to have a vigorous, strong, intelligent program to combat this situation.

I know my colleagues on both sides recall 1929. Those days, we hope, will not return; we do not say they are here.

It is our hope that our brothers on the Republican side of the aisle will help us with public-works programs, will help us with extension of unemployment compensation and other vigorous programs for the restoration of full and complete prosperity to all.

Mrs. GREEN of Oregon. Mr. Chairman, will the gentleman yield?

Mr. DINGELL. I yield to the distinguished gentlewoman from Oregon, who is sincerely and genuinely concerned with the problem of unemployment.

Mrs. GREEN of Oregon. I wanted to say to my colleagues that I am completely in accord with what the gentleman from Michigan has told us, for Oregon finds her economy in very bad shape. We have had, over the past several months, the highest unemployment of any State in the Nation. We are now in that unenviable position in the State of Oregon where unemployment has reached 28 percent. This means that 1 salary earner out of every 4 is unemployed. So I certainly associate myself with the remarks of the gentleman from Michigan.

(Mr. VURSELL asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN. Mr. Speaker, I move to strike out the last word.

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN. Mr. Chairman, what the gentleman said about unemployment in Detroit undoubtedly is true, but who brought it on? Who is responsible for it?

Mr. THOMSON of Wyoming. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. THOMSON of Wyoming. What I wanted to ask the gentleman from Michigan [Mr. DINGELL], is whether he does not agree with me that one well-known citizen from Michigan, Mr. Walter Reuther, has now proved that he can price the product out of the market, and the men whom he purports to represent out of their jobs.

Mr. HOFFMAN. That is just what Walter Reuther has done. There are

troubles enough over in the 4th Michigan district, but we are sympathetic with the unemployment situation in Detroit and Wayne County for it affects us as well, because many of our people work in industries which are suppliers for the automobile industry. When there is trouble in Wayne County or elsewhere there is trouble in our district. The trouble in Wayne County is that they have now exhausted much of their unemployment compensation. But before that Reuther enforced a wage scale which was the highest for any specialized group in the State. They forced the price of the product ever higher. The industry went along. Many workmen went ahead and spent their money, not only spent it as they went along but entered into contracts for future payments they cannot now, with higher living costs, meet. Now they want people in other sections of the State who were a little thrifty, who saved part of what they earned, to help them out now that they have exhausted their resources, and are unemployed but it works an unjust hardship on those who have been thrifty.

What is Reuther doing about it? You know he has access to high places here in Washington. What is Reuther's organization doing but increasing the dues of the workers created by money to diminish unemployment. If Reuther has his way no one who is unemployed can get a job unless he does two things: one, joins a union—two, pays an initiation fee and thereafter monetary dues and assessments—payment of which lessens his ability to meet the increasing cost of living. Why did they want to take Reuther on at the White House when they had banished McCarthy? They kicked McCarthy out, but at least we knew what McCarthy was and what he was doing. He was against the Communists. He may have been rough but he was against communism—that the people knew—Reuther does not like our form of Government—he has created and fostered class feeling—set one group against another. But we find Reuther's organization doubling the dues wanting to get a cut out of further unemployment compensation. Money collected from workers to be used to further his political ambitions. I dislike to see any further aid we give the unemployed go first through Reuther's hands so he can pocket some of it in the form of increased dues, use some to elect his rubber stamps to Congress.

We would be pretty dumb, would we not, if we fell for that kind of a program.

The Clerk read as follows:

#### NATIONAL SCIENCE FOUNDATION SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950, as amended (42 U. S. C. 1861-1875), including award of graduate fellowships; services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; hire of passenger motor vehicles; not to exceed \$275,000 for expenses of travel; not to exceed \$350 for the purchase of newspapers and periodicals; and reimbursement of the General Services Administration for security guard services; \$115 million to remain available until expended: *Provided,*

That of the foregoing amount not less than \$30,250,000 shall be available for tuition, grants, and allowances in connection with a program of supplementary training for high-school science and mathematics teachers.

Mr. PORTER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. PORTER: On page 21, line 21, strike out the period and insert the following: "Provided further, That of the total amount appropriated by this paragraph \$40 million shall be available for grants to institutions of higher learning for basic research, of which not less than \$1,700,000 shall be used for social sciences research."

Mr. PORTER. Mr. Chairman, survival was, not long ago, a question for a single person, a single family, or nation. Today, with our fearful weapons, survival is a question for all humanity to consider together. Are we smart enough to survive in spite of our deadly inventions? I do not know. I wish I did. I do know that the most promising road to a solution, or part of a solution, lies in basic research in human behavior.

My good friend, the very able gentleman from Texas, and his hard-working Appropriations Subcommittee on Independent Offices convincingly expressed their agreement with this proposition. The bill before us steps up support of basic research from \$16¼ million—fiscal year 1958—to \$40 million, a \$23¾ million increase.

My amendment does not increase the amounts appropriated by one penny. It does not change the amount the National Science Foundation has earmarked for basic research. All that I am trying to do is bring the increases for social science research in line with the increases for biological and medical sciences and for mathematical, physical, and engineering sciences. In line, that is, percentagewise, not dollarwise.

The bill itself does not make allocations in these 3 categories, but the National Science Foundation sets forth its summaries of obligations by the 3 programs on page 269 of the hearings. Here are the figures:

Biological and medical sciences: From \$7.8 million in 1958 to \$19.5 million in 1959, an increase of \$11.7 million.

Mathematical, physical, and engineering sciences: From \$7.8 million in 1958 to \$19.5 million in 1959, an increase of \$11.7 million.

Social sciences: From \$600,000 in 1958 to \$850,000, an increase of \$250,000.

In short, the sciences having to do with how to improve our physical well-being and prolong life and the sciences dealing with inanimate matter were increased almost 3 times, but the sciences having to do with human behavior were only increased about 40 percent.

My amendment would increase the \$850,000 to \$1.7 million, the additional \$850,000 coming out of the other 2 programs, the 2 that do not deal directly with human behavior. The result would be that all programs will be increased almost 3 times, although social science basic research would still be less than one-tenth as much in dollars as either of the other 2 programs

alone, less than one-twentieth of both of the other programs together.

Passage of this amendment would not reflect on the distinguished committee. The matter never came up before them. By earmarking an additional \$850,000 for basic research in the fields of human behavior, this House would simply tell the National Science Foundation that we thought this increase necessary and proper. The foundation could spend more, under the amendment, but not less for basic research in the social sciences.

But can the National Science Foundation use the additional money for social science research? Most emphatically yes. In the current fiscal year, with \$600,000 funds allocated for this program, \$3 million could have been used for qualified projects.

Will we survive? If we do, it will be because we learned more than we know now about human behavior. And if we are to learn more, we must make a far greater effort in basic research in psychology, sociology, economics, political science, and other disciplines having to do with human behavior. I know these are relatively new sciences, with a good deal of fakery, charlatans, and jargon. But I know also we have highly competent persons in the National Science Foundation and the only way we will improve these sciences is through more basic research by responsible, qualified men and women.

In 7 years the National Science Foundation has spent \$27.4 million on mathematics, physical, and engineering sciences; \$26.6 million on biological and medical sciences, but in this same period only \$1.2 million on social sciences, its program beginning in 1954 with \$57,000.

Will we survive? With our tensions and conflicts, our misunderstandings and our fears? The nonbehavioral sciences are highly important for our national welfare, but not—I submit—more important than the behavioral sciences. If I had my way, this House would this morning approve a Manhattan project type of program for basic and applied research in the behavioral sciences, for the dimensions of the effort should match the urgency of the situation. Here we are, on March 27, 1958, in a world which for the first time in its history can destroy all or most of humanity in 24 hours. There are thousands of nuclear weapons, most of them ready for instant detonation, and all in the hands of human beings about whose behavior we really know so very little and what we do know, in terms of error-proneness or slippage, is not encouraging. What about these custodians of our nuclear weapons? What about the men who give them orders? What about the policies governing those men, policies which in our country come from the people through this Congress?

It boils down to the old question of survival of the fittest. Are we fit if we do not use the knowledge we have accumulated about human behavior and if we do not push forward the frontiers of our knowledge in political science and economics, for example? I would rather be here advocating that the entire \$40

million be spent in the area of human behavior on the crash basis of the Manhattan project that brought forth the atomic bomb. Now that we have the bomb, how are we going to keep it from destroying us, all of us in the world of 1958, anno domini?

Are we going to find the answer in biology, whether developmental, environmental, genetic, metabolic, molecular, or what-have-you? I think not. Are we going to find the answer in astronomy, chemistry, earth sciences, engineering, mathematics or physics? I think not.

The answer to survival, if indeed we have time and I intend to act as though we do, lies in human behavior. If our sciences of human behavior are not good enough, then we had better hurry to improve them, just as we improved our nonbehavioral sciences to produce the atom bomb. We ought to spend \$40 million, and a lot more, to use the human mind and its products to meet head-on the human behavioral problems brought on by the atomic bomb.

But that is not my amendment today. That is something for other legislation and other hearings. I only ask for a modest increase in the allocation for the social sciences basic research program, \$850,000, so that it will have an increase comparable percentagewise to the increases in the other programs. No additional appropriation is involved. No questioning of the committee's judgment is involved since this never came up in hearings and is not in the bill at any point. What is involved may be the answer, or part of the answer, to the question before us as never in the world's history: "Will humanity be able to survive its deadly inventions." If ever there was a time to open the throttle on basic research in human behavior, the time is now, this very hour and the opportunity is yours on this amendment.

Mr. THOMAS. Mr. Chairman, I ask unanimous consent that all debate on this amendment and to the entire paragraph end in 5 minutes, with the 5 minutes reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. THOMAS].

Mr. THOMAS. Mr. Chairman, the general purpose as expressed by our friend, the gentleman from Oregon, [Mr. PORTER], is an admirable one, and I cannot say anything but something nice about our friend. He is a gentleman and a scholar, but the amendment ought to be defeated because the committee gave the National Science Foundation every penny in this field that they asked for. If they wanted any more money, they would have asked for it. We gave them about a 200 percent increase over what they had last year. That is a pretty good increase.

Mr. PORTER. Mr. Chairman, will the gentleman yield for a correction?

Mr. THOMAS. I yield.

Mr. PORTER. My amendment does not require any additional money at all.

Mr. YATES. It does for social sciences.

Mr. PORTER. It merely says they should allocate more money to that branch.

Mr. THOMAS. You did not increase the amount of the budget.

Mr. PORTER. That is correct.

Mr. THOMAS. I did not intend to give that impression. What you want to do is to earmark certain funds that they asked for. You earmark twice as much as the National Science Foundation asked for social science research and which is already in the bill. Let us let them run their own business in this field. As I say, the gentleman is doing some advanced thinking and we have to admire him for it. He is brilliant and capable, and we all like him, but if the Foundation wanted more money for this purpose, they would have asked for it. After all, what we are trying to do in this bill is to train scientists, mathematicians, engineers, and chemists to forge ahead of Russia. Now, let us tend to our job right here. This amendment ought to be voted down, and there is nothing I can say further. I ask the committee to vote it down on the theory that if the National Science Foundation wanted any more money, they would have asked for it. We gave them 100 percent of what they asked.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Oregon [Mr. PORTER].

The amendment was rejected.

The Clerk concluded the reading of the bill.

Mr. THOMAS. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. IKARD, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. TABER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. TABER. I am, sir.

The SPEAKER. The gentleman qualifies.

The Clerk read as follows:

Mr. TABER of New York moves that the bill be recommitted to the Committee on Appropriations.

The SPEAKER. The question is on the motion to recommit.

The motion was rejected.

The SPEAKER. The question is on passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

#### GENERAL LEAVE TO EXTEND

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### WARNING NO. 8

Mr. MULTER. Mr. Speaker, our economy is fast approaching a crisis. Unemployment increases. Prices and costs go on up. The hungry get hungrier and the rich get richer. Note the following from the front page of today's Wall Street Journal:

Leading banks of New York City are expected to report March quarter gains over a year ago of 8 percent to 10 percent in net operating earnings. Upturns in this range are looked for despite reductions in loans to business and generally lower lending rates. Such increases would compare with a 15 percent jump in after-tax earnings of major New York City banks for the initial 3 months of 1957 over the like 1956 period. Though commercial, industrial, and farm loans of these banks are down \$200 million since the start of the year, their total loans have gone up \$350 million.

The House Banking and Currency Committee continues to fiddle while our economy burns.

Since January 1958 our distinguished House Banking and Currency Committee has devoted its fine talents to perfecting a bank bill written by and for the bankers so that they can make more money by the free use of the depositors' money, including that of our Government.

Yes, that committee has announced hearings to begin after the Easter recess to deal with our urgent economic needs. I hope the country can wait.

#### COMMITTEE ON APPROPRIATIONS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations have until midnight Friday, March 28, to file two reports, the first on a joint resolution, providing for advance procurement of "Supplies and materials" and "Equipment," and the second, an additional report relating to the general government matters appropriation bill, 1959, now pending on the Union Calendar, with reference to committee recommendations on the Civil Rights Commission.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. TABER reserved all points of order.

#### CORRECTION OF COMMITTEE REPORT

Mr. HOFFMAN. Mr. Speaker, in the report to accompany the bill (H. R. 2767) amending section 161 of the revised statutes with respect to the authority of Federal officers and agencies to withhold information and limit the availability of records, certain corrections should be made.

Page 19: Paragraph 5 should follow paragraph 6, immediately preceding the quotation from Mr. RAYBURN.

Page 21: Line 10, "and so forth. I also said:" is a part of the quotation from Mr. McCORMACK.

Page 25: Line 26 should read: "Partly because of publicity given their candidacies by the eastern press."

Page 31: Lines 26 and 27 should read: "True, the first amendment does state that Congress shall 'make no law \* \* \* abridging the freedom of speech, or of the press' but none is so."

Page 33: Appendix A is an excerpt from remarks of the Honorable JOHN W. McCORMACK—94 CONGRESSIONAL RECORD, pages 5713-5721.

These were all mistakes of the printer. I ask unanimous consent that the report be corrected in accordance with the facts.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

#### DEPARTMENTS OF LABOR AND HEALTH, EDUCATION, AND WELFARE, AND RELATED AGENCIES APPROPRIATION BILL, 1959

Mr. FOGARTY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 11645) making appropriations for the Departments of Labor and Health, Education, and Welfare, and related agencies, for the fiscal year ending June 30, 1959, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 2 hours, one-half of the time to be controlled by the gentleman from New York and one-half by myself.

The SPEAKER. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 11645, with Mr. KEOGH in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. FOGARTY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, I have again the privilege of bringing before the House of Representatives the annual appropriation bill for the Department of Health, Education, and Welfare and the Labor Department for the eighth time as chairman of this committee, and as a

member of the committee for the past 12 years.

May I say, first, that we have enjoyed good relations in this committee for some time. I certainly appreciate the wonderful support and cooperation that has been given me by the gentleman from Indiana [Mr. DENTON], who has served on the committee for 5 or 6 years now. Without his support I do not know what we would do.

We have a new member on the majority side, the gentleman from Minnesota [Mr. MARSHALL]. Certainly he has performed splendid work, and I take this opportunity to compliment him on his attendance and on his rapid grasp of the subject matter of this bill, and also to thank him for the help he has given me. Then, of course, there is the gentleman from New York [Mr. TABER], the ranking member on the Republican side, whose experience and judgment we all admire. We are honored and are glad to have him on this particular subcommittee. He has been a great help. Then the gentleman from Wisconsin [Mr. LAIRD] has been a most conscientious and hard-working member. We appreciate the understanding, help, and cooperation that he has given us in bringing to you this bill. While we have had some minor differences of opinion, I think this can be called a unanimous report from the Committee on Appropriations. Of course, without the support of these men, it would be very difficult for any chairman to do a decent job. But, on top of that, and I think I bragged a little bit a year ago and a couple of years ago also, but I want to brag a little bit again and say I believe that we have on this subcommittee the best clerk that you can get for this particular kind of job. Certainly, he stays on the job the year around. Without his advice, it would be very difficult for us to report to you a bill of the magnitude that we have before us today.

Mr. Chairman, there are not many changes in the present bill. We have appropriated \$3,177,366,781 for 1958. The budget estimate for 1959 is \$2,973,737,181. We are presenting to you a bill for \$2,961,862,181 which is \$215,504,600 below 1958 and \$11,875,000 below the estimates that we had presented to us. But, of this amount \$1,853,200,000 is in three items:

Unemployment compensation for veterans, unemployment compensation for Federal employees and grants to States for public assistance. There is not much we can do about those since the basic legislation sets mathematical formulas for the expenditure of these funds. As we say in our report we doubt that this will be enough money to carry the load in 1959 and that the administration will have to come forth with a request for supplemental funds.

In the Department of Labor, we made very few changes. We allowed just six new positions in the Secretary's office.

We are still dissatisfied with the progress made in the program for employment of older workers. We certainly hope they will do a better job in the coming year.

In the Office of the Solicitor, we gave them just what they asked for.

In the Bureau of Labor Standards, there is a small increase of \$10,000 and that is all for expenses of the President's Committee on National Employment of the Physically Handicapped Week.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield.

Mr. TABER. Of course, the report shows that we gave the solicitor \$200,000 more than the budget estimates. I thought that ought to be brought out.

Mr. FOGARTY. That is correct. There is \$200,000 more than the budget estimate, so far as direct appropriations are concerned. But, a year ago we approved the sum of \$200,000 to be taken from the highway trust fund, and that was again requested for 1959. Because of the parliamentary decision which was made on the Treasury-Post Office bill 3 or 4 weeks ago, that these funds are not authorized by the basic legislation to be expended from the trust fund, we included that amount as an addition to the direct appropriation. So the solicitor will not have any more funds but they will all be from direct appropriations, so the gentleman is correct that the table in the report shows a \$200,000 increase.

Then, in the Bureau of Apprenticeship Training we are doing the same thing this year that we did a year ago. A year ago the request was made to add to Bureau of Apprenticeship the words "and training" and expand the program into the training field. Our committee thinks it is a good thing to expand the programs of vocational education and other fields of training. But, a year ago there was, to put it mildly, a lack of cooperation between the vocational educational people and the apprenticeship people, and as a result we said in our report that we were not opposing expansion of activities in this field, but we would expect them to work out their differences and practically told them that when they did, we would approve this appropriation request. We found out this year prior to the mark-up of the bill that a meeting of the minds between the apprenticeship people and vocational educational people had not occurred and as a result we have denied the additional \$300,000 and again deferred this expansion of the Bureau of Apprenticeship.

In the Bureau of Employment Security, the only item about which there is any controversy is the appropriation for grants to States for which \$329,300,000 was requested. We have cut this \$24,300,000.

The budget for grants to States was based on the assumption that there would be an average of 2 million insured unemployed in 1959. The committee has made it quite clear that the amount in the bill is aimed to provide just for the workload used as the basis for the budget. So if insured unemployment substantially exceeds an average of 2 million we would expect a request for supplemental funds to take care of that additional workload. But if insured unemployment does not exceed an average of 2 million then we will expect them to live within the amount provided.

For 1958 Congress has appropriated \$292,814,000 and this was based on the

assumption that there would be an average of 2 million insured unemployment as was set forth in the justifications and the verbal testimony on the recent request for \$33 million in supplemental funds—all of which was granted. However, events since that appropriation was requested indicate that the unemployment estimate for 1958 was too low and the average will be about 2.2 million instead. But no additional funds are being requested.

It boils down to this—for 1958 there is \$292,814,000 and the insured unemployment will average about 2.2 million; and for 1959 the committee is recommending \$295 million to handle an even 2 million insured unemployment, and has included a \$10 million contingency fund so that if the workload goes up they can fall back on that until supplemental funds are made available. So the facts are that the committee is recommending a slight increase in funds for slightly less workload.

We told the Secretary of Labor at that time that we did not think their statistics on insured unemployment were realistic figures. This budget was prepared as of last October, and since that time considerable economic change has taken place. We invited him to give us some more up-to-date estimates even after the hearings so that some of these appropriations might be on a more realistic basis, but he did not do so. So we took him at his word and allowed funds on the basis of what he said the unemployment would be.

The committee set forth in its report some of the difficulties it has had in securing up-to-date estimates of needs for those programs effected by the unemployment situation. The report refers to my letter to the two secretaries and their replies. I think to be fair to everyone concerned, the full text of these letters should be made a part of the record. They are as follows:

MARCH 11, 1958.

DEAR MR. SECRETARY: The appropriations subcommittee on the Departments of Labor and Health, Education, and Welfare will likely meet either Tuesday or Wednesday of next week to make its decisions on the appropriations to recommend for fiscal year 1959.

As you will recall some of the subcommittee members were surprised, at the time of the hearings on your budget, that no revisions had been made because of the very significant changes in our economy since the President's budget was formulated. Even further significant changes have taken place since the time of those hearings. In view of the ever-increasing seriousness of this situation, and in view of the recent interest that both the President and vice president have taken in this matter, I will be even more surprised than I was at the time of our hearings if you have no proposals to bring the budget requests for your department more nearly in line with current realities. I feel certain that any such proposals you now have would be very helpful to the subcommittee in its deliberations next week.

We will appreciate receiving your further recommendations on the 1959 budget by next Monday afternoon, March 17.

Sincerely yours,

JOHN B. FOGARTY,  
Chairman, Subcommittee on the  
Departments of Labor, and Health,  
Education, and Welfare.





85TH CONGRESS  
2D SESSION

# H. R. 11574

---

IN THE SENATE OF THE UNITED STATES

MARCH 31, 1958

Read twice and referred to the Committee on Appropriations

---

## AN ACT

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

- 1      *Be it enacted by the Senate and House of Representa-*  
2      *tives of the United States of America in Congress assembled,*  
3      That the following sums are appropriated, out of any money  
4      in the Treasury not otherwise appropriated, for sundry  
5      independent executive bureaus, boards, commissions, cor-  
6      porations, agencies, and offices, for the fiscal year ending  
7      June 30, 1959, namely:

## TITLE I—INDEPENDENT OFFICES

## CIVIL SERVICE COMMISSION

## SALARIES AND EXPENSES

For necessary expenses, including not to exceed \$22,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to exceed \$10,000 for medical examinations performed for veterans by private physicians on a fee basis; not to exceed \$100 for the purchase of newspapers and periodicals (excluding scientific, technical, trade or traffic periodicals, for official use) ; payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; not to exceed \$70,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767) ; reimbursement of the General Services Administration for security guard services for protection of confidential files; not to exceed \$472,000 for expenses of travel; and not to exceed \$5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; \$18,200,000.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order 9358 of July 1, 1943.

1 INVESTIGATION OF UNITED STATES CITIZENS FOR EM-  
2 PLOYMENT BY INTERNATIONAL ORGANIZATIONS

3 For expenses necessary to carry out the provisions of  
4 Executive Order No. 10422 of January 9, 1953, as amended,  
5 prescribing procedures for making available to the Secretary  
6 General of the United Nations, and the executive heads of  
7 other international organizations, certain information con-  
8 cerning United States citizens employed, or being considered  
9 for employment by such organizations, including services as  
10 authorized by section 15 of the Act of August 2, 1946  
11 (5 U. S. C. 55a), \$350,000: *Provided*, That this appro-  
12 priation shall be available for advances or reimbursements  
13 to the applicable appropriations or funds of the Civil Service  
14 Commission and the Federal Bureau of Investigation for  
15 expenses incurred by such agencies under said Executive  
16 order: *Provided further*, That members of the International  
17 Organizations Employees Loyalty Board may be paid actual  
18 transportation expenses, and per diem in lieu of subsistence  
19 authorized by the Travel Expense Act of 1949, as amended,  
20 while traveling on official business away from their homes or  
21 regular places of business, including periods while en route  
22 to and from and at the place where their services are to be  
23 performed: *Provided further*, That nothing in sections 281 or  
24 283 of title 18, United States Code, or in section 190 of the  
25 Revised Statutes (5 U. S. C. 99) shall be deemed to apply

1 to any person because of appointment for part-time or inter-  
2 mittent service as a member of the International Organiza-  
3 tions Employees Loyalty Board in the Civil Service Com-  
4 mission as established by Executive Order 10422, dated  
5 January 9, 1953, as amended.

6 PAYMENT TO CIVIL SERVICE RETIREMENT AND DIS-  
7 ABILITY FUND

8 For financing the liability of the United States, created  
9 by the Act approved May 22, 1920, and Acts amendatory  
10 thereof (5 U. S. C., ch. 30), \$589,000,000, which amount  
11 shall be placed to the credit of the civil-service retirement  
12 and disability fund: *Provided*, That no part of the appropria-  
13 tions herein made and no part of the moneys now or here-  
14 after contained in the civil-service retirement and disability  
15 fund shall be applied toward the payment of any increase  
16 in annuity benefits or any new annuity benefits under the  
17 Act approved May 22, 1920, and Acts amendatory thereof  
18 (5 U. S. C., ch. 30) which may be authorized by amend-  
19 ment to said Acts after the enactment of this Act until and  
20 unless an appropriation is made to such fund in an amount  
21 estimated by the Civil Service Commission to be sufficient  
22 to prevent an immediate increase in the unfunded accrued  
23 liability of said fund.

1 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES  
2 AND LIGHTHOUSE SERVICE WIDOWS

3 For payment of annuities authorized by the Act of  
4 May 29, 1944, as amended (48 U. S. C. 1373a), and the  
5 Act of August 19, 1950 (64 Stat. 465), \$2,300,000.

6 LIMITATION ON ADMINISTRATIVE EXPENSES, EM-  
7 PLOYEES' LIFE INSURANCE FUND

8 Not to exceed \$123,800 of the funds in the "Employees'  
9 Life Insurance Fund" shall be available for reimbursement  
10 to the Civil Service Commission for administrative expenses  
11 incurred by the Commission during the current fiscal year  
12 in the administration of the Federal Employees' Group Life  
13 Insurance Act.

14 FEDERAL CIVIL DEFENSE ADMINISTRATION  
15 OPERATIONS

16 For necessary expenses, not otherwise provided for,  
17 in carrying out the provisions of the Federal Civil De-  
18 fense Act of 1950, as amended (50 U. S. C., App. 2251-  
19 2297), including services as authorized by section 15 of  
20 the Act of August 2, 1946 (5 U. S. C. 55a); reim-  
21 bursement of the Civil Service Commission for full field  
22 investigations of employees occupying positions of critical  
23 importance from the standpoint of national security; ex-

1   penses of attendance at meetings concerned with civil defense  
2   functions; reimbursement of the General Services Adminis-  
3   tration for security guard services; not to exceed \$6,000  
4   for the purchase of newspapers, periodicals, and teletype  
5   news services; not to exceed \$815,000 for expenses of  
6   travel; and not to exceed \$6,000 for emergency and  
7   extraordinary expenses to be expended under the direc-  
8   tion of the Administrator for such purposes as he deems  
9   proper, and his determination thereon shall be final and  
10   conclusive; \$18,250,000: *Provided*, That \$250,000 of the  
11   foregoing amount shall be available to discharge civil defense  
12   responsibilities delegated to other Federal agencies under the  
13   authority of section 201 (b) of the Federal Civil Defense  
14   Act of 1950, as amended.

15                   EMERGENCY SUPPLIES AND EQUIPMENT

16       For expenses necessary for warehousing and mainte-  
17   nance of emergency civil defense materials as authorized by  
18   subsection (h) of section 201 of the Federal Civil Defense  
19   Act of 1950, as amended, \$18,000,000.

20                   RESEARCH AND DEVELOPMENT

21       For expenses, not otherwise provided for, necessary for  
22   studies and research to develop measures and plans for  
23   evacuation, shelter, and the protection of life and property,  
24   as authorized by section 201 (d) of the Federal Civil De-  
25   fense Act of 1950, as amended, including services as au-

1 thorized by section 15 of the Act of August 2, 1946 (5  
2 U. S. C. 55a), \$2,000,000, to remain available until ex-  
3 pended.

4 No part of any appropriation in this Act shall be avail-  
5 able for the construction of warehouses or for the lease of  
6 warehouse space in any building which is to be constructed  
7 specifically for the use of the Federal Civil Defense Adminis-  
8 tration.

## 9 FEDERAL COMMUNICATIONS COMMISSION

### 10 SALARIES AND EXPENSES

11 For necessary expenses in performing the duties of the  
12 Commission as authorized by law, including newspapers  
13 (not to exceed \$200), land and structures (not to exceed  
14 \$120,000), special counsel fees, improvement and care of  
15 grounds and repairs to buildings (not to exceed \$15,400),  
16 services as authorized by section 15 of the Act of August  
17 2, 1946 (5 U. S. C. 55a), purchase of not to exceed three  
18 passenger motor vehicles for replacement only, and not to  
19 exceed \$107,470 for expenses of travel, \$8,900,000.

## 20 FEDERAL POWER COMMISSION

### 21 SALARIES AND EXPENSES

22 For expenses necessary for the work of the Commission,  
23 as authorized by law, including not to exceed \$350,000 for  
24 expenses of travel; hire of passenger motor vehicles; and not  
25 to exceed \$500 for newspapers; \$6,000,000, of which not

1 to exceed \$10,000 shall be available for special counsel and  
2 services as authorized by section 15 of the Act of August 2,  
3 1946 (5 U. S. C. 55a), but at rates not exceeding \$50 per  
4 diem for individuals: *Provided*, That not to exceed \$307,400  
5 shall be available for investigations relating to Federal river  
6 development projects.

## 7 FEDERAL TRADE COMMISSION

### 8 SALARIES AND EXPENSES

9 For necessary expenses of the Federal Trade Commis-  
10 sion, including uniforms or allowances therefor, as authorized  
11 by law (5 U. S. C. 2131), not to exceed \$700 for news-  
12 papers, services as authorized by section 15 of the Act of  
13 August 2, 1946 (5 U. S. C. 55a), and not to exceed  
14 \$251,250 for expenses of travel, \$5,950,000: *Provided*, That  
15 no part of the foregoing appropriation shall be expended  
16 upon any investigation hereafter provided by concurrent  
17 resolution of the Congress until funds are appropriated sub-  
18 sequently to the enactment of such resolution to finance the  
19 cost of such investigation.

## 20 GENERAL ACCOUNTING OFFICE

### 21 SALARIES AND EXPENSES

22 For necessary expenses of the General Accounting Of-  
23 fice, including newspapers and periodicals (not exceeding

1 \$500) ; rental or lease of office space in foreign countries  
2 without regard to the provisions of section 3648 of the  
3 Revised Statutes, as amended (31 U. S. C. 529) ; not to  
4 exceed \$2,000,000 for expenses of travel; and services as  
5 authorized by section 15 the Act of August 2, 1946 (5  
6 U. S. C. 55a) ; \$37,000,000.

## 7 GENERAL SERVICES ADMINISTRATION

### 8 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

9 For necessary expenses of real property management  
10 and related activities as provided by law ; furnishings and equip-  
11 ment; rental of buildings in the District of Columbia; restora-  
12 tion of leased premises; moving Government agencies (includ-  
13 ing space adjustments) in connection with the assignment, allo-  
14 cation, and transfer of building space; acquisition by pur-  
15 chase or otherwise and disposal by sale or otherwise of real  
16 estate and interests therein; payments in lieu of taxes pur-  
17 suant to the Act of August 12, 1955 (40 U. S. C. 521) ;  
18 and not to exceed \$222,000 for expenses of travel; \$133,-  
19 039,000: *Provided*, That this appropriation shall be avail-  
20 able, without regard to section 322 of the Act of June 30,  
21 1932, as amended (40 U. S. C. 278a), with respect to  
22 buildings or parts thereof, heretofore leased under the ap-  
23 propriation for "Emergency operating expenses".

## 1 REPAIR AND IMPROVEMENT, FEDERALLY OWNED

## 2 BUILDINGS

3 For expenses necessary for the repair, alteration, preser-  
4 vation, renovation, improvement, extension, equipment, and  
5 demolition of federally owned buildings and buildings oc-  
6 cupied pursuant to the Public Buildings Purchase Contract  
7 Act of 1954 (40 U. S. C. 356), not otherwise provided for,  
8 including grounds, approaches and appurtenances, wharves  
9 and piers, together with the necessary dredging adjacent  
10 thereto; acquisition of land as authorized by title III of the  
11 Act of June 16, 1949 (40 U. S. C. 297); not to exceed  
12 \$300,000 for expenses of travel; and care and safeguarding  
13 of sites acquired for Federal buildings; \$75,000,000, to re-  
14 main available until expended.

## 15 SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

16 For expenses necessary in connection with construction  
17 of approved public buildings projects not otherwise pro-  
18 vided for, including preparation of drawings and specifica-  
19 tions, by contract or otherwise; acquisition of sites, including  
20 soil investigations and tests; not to exceed \$200,000 for  
21 expenses of travel; administrative expenses; and for pre-  
22 liminary planning of public buildings projects; \$38,000,000,  
23 to remain available until expended, and not to exceed  
24 \$500,000 of this amount shall be available for construction  
25 of small public buildings projects outside the District of

1 Columbia pursuant to the Public Buildings Act of May 25,  
2 1926, as amended (40 U. S. C. 341) : *Provided*, That any  
3 unexpended balances of funds heretofore appropriated to  
4 the General Services Administration for sites and expenses  
5 or sites and planning shall be available for the purposes  
6 hereinabove set forth and may be consolidated with this  
7 appropriation: *Provided further*, That no part of such funds  
8 shall be used during the current fiscal year for preparation  
9 of drawings and specifications, acquisition of sites, design,  
10 planning, construction, or in any other manner for or in  
11 connection with proposed Federal office building numbered  
12 7 on square 167 in the District of Columbia (project num-  
13 bered 3-DC-05, General Services Administration prospectus  
14 submitted July 13, 1956).

15 CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

16 For construction of public buildings projects outside the  
17 District of Columbia pursuant to the Public Buildings Act  
18 of May 25, 1926, as amended (40 U. S. C. 341),  
19 \$177,255,000, to remain available until expended, of which  
20 amount not to exceed \$700,000 shall be available for site  
21 and construction costs for the project at Milledgeville,  
22 Georgia.

23 PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS

24 For payments of principal, interest, taxes, and any other  
25 obligations under contracts entered into pursuant to the Pub-

1   lic Buildings Purchase Contract Act of 1954 (40 U. S. C.  
2   356), \$310,900: *Provided*, That hereafter no part of any  
3   funds in this or any other Act shall be used for payment for  
4   sites, planning or construction of any buildings by lease-  
5   purchase contracts except buildings used solely for post  
6   office purposes.

7       OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

8       For necessary expenses of personal property manage-  
9   ment and related activities as authorized by law and not  
10  otherwise provided for; including not to exceed \$300 for  
11  the purchase of newspapers and periodicals; and not to  
12  exceed \$85,700 for expenses of travel; \$3,360,000:  
13  *Provided*, That to exceed \$1,865,000 of any funds received  
14  during the current or preceding fiscal year for deposit under  
15  section 204 (a) of the Federal Property and Administrative  
16  Services Act of 1949, as amended, and not otherwise dis-  
17  posed of by law, shall be deposited to the credit of this  
18  appropriation and shall be available for necessary expenses  
19  in carrying out the functions of the General Services Admin-  
20  istration under the said Act, with respect to the utilization  
21  and disposal of excess and surplus personal property, in-  
22  cluding not to exceed \$145,000 for expenses of travel.

23               EXPENSES, SUPPLY DISTRIBUTION

24       For expenses, not otherwise provided, necessary for  
25  operation of the stores depot system and other procurement  
26  services, including contractual services incident to receiving,

1 handling, and shipping warehouse items; not to exceed \$250  
2 for purchase of newspapers and periodicals; and not to ex-  
3 ceed \$120,000 for expenses of travel; \$18,165,000.

4 OPERATING EXPENSES, NATIONAL ARCHIVES AND  
5 RECORDS SERVICE

6 For necessary expenses in connection with Federal  
7 records management and related activities as provided by  
8 law; and not to exceed \$50,000 for expenses of travel;  
9 \$7,293,000.

10 OPERATING EXPENSES, TRANSPORTATION AND PUBLIC  
11 UTILITIES SERVICE

12 For necessary expenses of transportation and public  
13 utilities management and related activities, as provided by  
14 law, including not to exceed \$60,000 for expenses of travel;  
15 and services as authorized by section 15 of the Act of August  
16 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$75  
17 per diem for individuals; \$1,800,000.

18 STRATEGIC AND CRITICAL MATERIALS

19 Funds available for carrying out the provisions of the  
20 Strategic and Critical Materials Stock Piling Act of July  
21 23, 1946, during the current fiscal year shall be available for  
22 services as authorized by section 15 of the Act of August 2,  
23 1946 (5 U. S. C. 55a), not to exceed \$3,324,000 for  
24 operating expenses, not to exceed \$86,000 for expenses of  
25 travel, and necessary expenses for transportation and han-

1 dling, within the United States (including charges at United  
2 States ports), storage, security, and maintenance of strategic  
3 and critical materials acquired for or transferred to the sup-  
4 plemental stockpile established pursuant to section 104 (b)  
5 of the Agricultural Trade Development and Assistance Act  
6 of 1954 (7 U. S. C. 1704 (b)) : *Provided*, That any funds  
7 received as proceeds from sale or other disposition of ma-  
8 terials on account of the rotation of stocks under said Act  
9 shall be deposited to the credit, and be available for expendi-  
10 ture for the purposes, of this appropriation: *Provided further*,  
11 That during the current fiscal year, there shall be no limita-  
12 tion on the value of surplus strategic and critical materials  
13 which, in accordance with subsection 6 (a) of the Act of  
14 July 23, 1946 (50 U. S. C. 98e (a)), may be transferred  
15 to stockpiles established in accordance with said Act: *Pro-*  
16 *vided further*, That no part of funds available shall be used  
17 for construction of warehouses or tank storage facilities.

18 SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR

19 For expenses of executive direction for activities under the  
20 control of the General Services Administration, including  
21 not to exceed \$7,000 for expenses of travel, and not to exceed  
22 \$250 for purchase of newspapers and periodicals; \$200,000.

23 ADMINISTRATIVE OPERATIONS FUND

24 Funds available to General Services Administration for ad-  
25 ministrative operations, in support of program activities, shall

1 be expended and accounted for, as a whole, through a single  
2 fund, which is hereby authorized: *Provided*, That costs and obli-  
3 gations for such administrative operations for the respective pro-  
4 gram activities shall be accounted for in accordance with sys-  
5 tems approved by the General Accounting Office: *Provided*  
6 *further*, That the total amount deposited into said account for  
7 the fiscal year 1959 from funds made available to General  
8 Services Administration in this Act shall not exceed \$10,700,-  
9 000, of which not to exceed \$170,000 may be used for travel  
10 expenses: *Provided further*, That amounts deposited into said  
11 account for administrative operations for each program shall  
12 not exceed the amounts included in the respective program  
13 appropriations for such purposes.

14       The appropriate appropriation or fund available to the  
15 General Services Administration shall be credited with (1)  
16 cost of operation, protection, maintenance, upkeep, repair,  
17 and improvement, included as part of rentals received from  
18 Government corporations pursuant to law (40 U. S. C.  
19 129) ; (2) reimbursements for services performed in respect  
20 to bonds and other obligations under the jurisdiction of the  
21 General Services Administration, issued by public authorities,  
22 States, or other public bodies, and such services in respect  
23 to such bonds or obligations as the Administrator deems nec-  
24 essary and in the public interest may, upon the request and  
25 at the expense of the issuing agencies, be provided from the

1 appropriate foregoing appropriation; and (3) appropria-  
2 tions or funds available to other agencies, and transferred  
3 to the General Services Administration, in connection with  
4 property transferred to the General Services Administration  
5 pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff),  
6 and such appropriations or funds may, with the approval of  
7 the Bureau of the Budget, be so transferred.

8 Funds available to the General Services Administration  
9 shall be available for the hire of passenger motor vehicles.

10 No part of any money appropriated by this or any other  
11 Act for any agency of the executive branch of the Govern-  
12 ment shall be used during the current fiscal year for the pur-  
13 chase within the continental limits of the United States of any  
14 typewriting machines except in accordance with regulations  
15 issued pursuant to the provisions of the Federal Property  
16 and Administrative Services Act of 1949, as amended.

17 Not to exceed 2 per centum of any appropriation made  
18 available to the General Services Administration for the cur-  
19 rent fiscal year by this Act may be transferred to any other  
20 such appropriation, but no such appropriation shall be there-  
21 by increased more than 2 per centum: *Provided*, That such  
22 transfers shall apply only to operating expenses, and shall  
23 not exceed in the aggregate the amount of \$2,000,000.

## 1 HOUSING AND HOME FINANCE AGENCY

## 2 OFFICE OF THE ADMINISTRATOR

## 3 SALARIES AND EXPENSES

4 For necessary expenses of the Office of the Administra-  
5 tor, including rent in the District of Columbia; services as  
6 authorized by section 15 of the Act of August 2, 1946  
7 (5 U. S. C. 55a) ; not to exceed \$400,000 for expenses  
8 of travel; and expenses of attendance at meetings of organi-  
9 zations concerned with the work of the Agency; \$8,000,000:  
10 *Provided*, That of the foregoing amount \$6,000,000 shall  
11 be available for administrative expenses of urban renewal  
12 programs: *Provided further*, That necessary expenses of  
13 inspections and of providing representatives at the site of  
14 projects being planned or undertaken by local public agencies  
15 pursuant to title I of the Housing Act of 1949, as amended,  
16 projects financed through loans to educational institutions  
17 authorized by title IV of the Housing Act of 1950, as  
18 amended, and projects and facilities financed by loans to  
19 public agencies pursuant to title II of the Housing Amend-  
20 ments of 1955, as amended, shall be compensated by such  
21 agencies or institutions by the payment of fixed fees which  
22 in the aggregate will cover the costs of rendering such serv-

ices, and expenses for such purpose shall be considered non-administrative; and for the purpose of providing such inspections, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such institutions, or the Administrator, and shall credit such amounts to the appropriations or funds against which such charges have been made, but such nonadministrative expenses shall not exceed \$2,500,000.

#### URBAN PLANNING GRANTS

For grants in accordance with the provisions of section 701 of the Housing Act of 1954, as amended, \$3,000,000.

#### RESERVE OF PLANNED PUBLIC WORKS (PAYMENT TO REVOLVING FUND)

For payment to the revolving fund established pursuant to section 702 of the Housing Act of 1954, as amended (40 U. S. C. 462), \$7,000,000.

#### CAPITAL GRANTS FOR SLUM CLEARANCE AND URBAN RENEWAL

For an additional amount for payment of capital grants as authorized by title I of the Housing Act of 1949, as amended (42 U. S. C. 1453, 1456), \$50,000,000.

#### PUBLIC HOUSING ADMINISTRATION

#### ANNUAL CONTRIBUTIONS

For the payment of annual contributions to public housing agencies in accordance with section 10 of the United

1 States Housing Act of 1937, as amended (42 U. S. C.  
2 1410), \$107,500,000.

### 3 ADMINISTRATIVE EXPENSES

4 For administrative expenses of the Public Housing Ad-  
5 ministration, \$11,800,000, to be expended under the au-  
6 thorization for such expenses contained in title II of this Act.

### 7 INTERSTATE COMMERCE COMMISSION

#### 8 SALARIES AND EXPENSES

9 For necessary expenses of the Interstate Commerce  
10 Commission, including not to exceed \$5,000 for the employ-  
11 ment of special counsel; services as authorized by section 15  
12 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not  
13 to exceed \$50 per diem for individuals; newspapers (not to  
14 exceed \$200); purchase of not to exceed twenty-seven pas-  
15 senger motor vehicles of which fourteen shall be for replace-  
16 ment only; and not to exceed \$1,200,000 for expenses of  
17 travel; \$16,750,000, of which not less than \$1,405,100 shall  
18 be available for expenses necessary to carry out railroad safety  
19 activities and not less than \$966,300 shall be available for  
20 expenses necessary to carry out locomotive inspection ac-  
21 tivities: *Provided*, That Joint Board members and cooperat-  
22 ing State commissioners may use Government transportation  
23 requests when traveling in connection with their duties as  
24 such.

1 NATIONAL ADVISORY COMMITTEE FOR  
2 AERONAUTICS  
3 SALARIES AND EXPENSES

4 For necessary expenses of the Committee, including  
5 contracts for the making of special investigations and reports  
6 (not to exceed \$500,000) and for engineering, drafting and  
7 computing services; not to exceed \$402,500 for expenses of  
8 travel; maintenance and operation of aircraft; purchase of  
9 fourteen passenger motor vehicles for replacement only;  
10 not to exceed \$100 for newspapers and periodicals; uni-  
11 forms or allowances therefor, as authorized by the Act of  
12 September 1, 1954 (68 Stat. 1114), as amended; and serv-  
13 ices as authorized by section 15 of the Act of August 2,  
14 1946 (5 U. S. C. 55a) ; \$78,100,000.

## 15 CONSTRUCTION AND EQUIPMENT

16 For construction and equipment at laboratories and  
17 research stations of the Committee, \$23,000,000, to remain  
18 available until expended.

19 NATIONAL CAPITAL HOUSING AUTHORITY  
20 OPERATION AND MAINTENANCE OF PROPERTIES

21 For the operation and maintenance of properties under  
22 title I of the District of Columbia Alley Dwelling Act,  
23 \$38,000: *Provided*, That all receipts derived from sales,  
24 leases, or other sources shall be covered into the Treasury  
25 of the United States monthly: *Provided further*, That so long

1 as funds are available from appropriations for the foregoing  
2 purposes, the provisions of section 507 of the Housing Act  
3 of 1950 (Public Law 475, Eighty-first Congress), shall not  
4 be effective.

## 5 NATIONAL SCIENCE FOUNDATION

### 6 SALARIES AND EXPENSES

7 For expenses necessary to carry out the purposes of  
8 the National Science Foundation Act of 1950, as amended  
9 (42 U. S. C. 1861-1875), including award of graduate  
10 fellowships; services as authorized by section 15 of the Act  
11 of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed  
12 \$50 per diem for individuals; hire of passenger motor  
13 vehicles; not to exceed \$275,000 for expenses of travel;  
14 not to exceed \$350 for the purchase of newspapers and  
15 periodicals; and reimbursement of the General Services  
16 Administration for security guard services; \$115,000,000,  
17 to remain available until expended: *Provided*, That of the  
18 foregoing amount not less than \$30,250,000 shall be avail-  
19 able for tuition, grants, and allowances in connection with a  
20 program of supplementary training for high school science  
21 and mathematics teachers.

## 22 RENEGOTIATION BOARD

### 23 SALARIES AND EXPENSES

24 For necessary expenses of the Renegotiation Board,  
25 including expenses of attendance at meetings concerned with

1 the purposes of this appropriation; hire of passenger motor  
2 vehicles; not to exceed \$40,000 for expenses of travel; and  
3 services as authorized by section 15 of the Act of August 2,  
4 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem  
5 for individuals; \$2,850,000.

## 6 SECURITIES AND EXCHANGE COMMISSION

### 7 SALARIES AND EXPENSES

8 For necessary expenses, including not to exceed \$1,125  
9 for the purchase of newspapers; not to exceed \$230,000 for  
10 expenses of travel; uniforms or allowances therefor, as author-  
11 ized by law (5 U. S. C. 2131); and services as authorized  
12 by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a);  
13 \$6,800,000.

## 14 SELECTIVE SERVICE SYSTEM

### 15 SALARIES AND EXPENSES

16 For expenses necessary for the operation and main-  
17 tenance of the Selective Service System, as authorized by  
18 title I of the Universal Military Training and Service Act  
19 (62 Stat. 604), as amended, including services as authorized  
20 by section 15 of the Act of August 2, 1946 (5 U. S. C.  
21 55a); travel expenses; not to exceed \$250 for the pur-  
22 chase of newspapers and periodicals; not to exceed \$72,000  
23 for the National Selective Service Appeal Board; and  
24 \$19,000 for the National Advisory Committee on the  
25 Selection of Physicians, Dentists, and Allied Specialists;

1 \$27,500,000: *Provided*, That of the foregoing amount  
2 \$20,196,000 shall be available for registration, classification,  
3 and induction activities of local boards: *Provided further*,  
4 That during the current fiscal year, the President may ex-  
5 empt this appropriation from the provisions of subsection (c)  
6 of section 3679 of the Revised Statutes, as amended, when-  
7 ever he deems such action to be necessary in the interest of  
8 national defense.

9 Appropriations for the Selective Service System may  
10 hereafter be used for the destruction of records accumulated  
11 under the Selective Training and Service Act of 1940, as  
12 amended, by the Director of Selective Service after compli-  
13 ance with the procedures for the destruction of records pre-  
14 scribed pursuant to the Records Disposal Act of 1943, as  
15 amended (44 U. S. C. 366-380) : *Provided*, That no records  
16 may be transferred to any other agency without the approval  
17 of the Director of Selective Service.

## 18 VETERANS ADMINISTRATION

### 19 GENERAL OPERATING EXPENSES

20 For necessary operating expenses of the Veterans Ad-  
21 ministration, not otherwise provided for, including expenses  
22 incidental to securing employment for war veterans; uniforms  
23 or allowances therefor, as authorized by law; purchase of  
24 one passenger motor vehicle for replacement only at not  
25 to exceed \$4,000; not to exceed \$3,500 for newspapers and

1 periodicals; not to exceed \$45,000 for preparation, shipment,  
 2 installation, and display of exhibits, photographic displays,  
 3 moving pictures, and other visual education information and  
 4 descriptive material, including purchase or rental of equip-  
 5 ment; and not to exceed \$2,700,000 for expenses of travel  
 6 of employees; \$147,500,000: *Provided*, That no part of  
 7 this appropriation shall be used to pay in excess of twenty-  
 8 two persons engaged in public relations work: *Provided*  
 9 *further*, That no part of this appropriation shall be used to  
 10 pay educational institutions for reports and certifications of  
 11 attendance at such institutions an allowance at a rate in  
 12 excess of \$1 per month for each eligible veteran enrolled in  
 13 and attending such institution.

#### 14 MEDICAL ADMINISTRATION AND MISCELLANEOUS

##### 15 OPERATING EXPENSES

16 For expenses necessary for administration of the medical,  
 17 hospital, domiciliary, special service, construction and supply,  
 18 research, and employee education and training activities;  
 19 expenses necessary for carrying out programs of medical re-  
 20 search and of education and training of employees, as au-  
 21 thorized by law; not to exceed \$1,100,000 for expenses of  
 22 travel of employees paid from this appropriation, and those  
 23 engaged in training programs; and not to exceed \$2,700 for  
 24 newspapers and periodicals; \$21,000,000, of which \$10,-  
 25 344,000 shall be available for medical research: *Provided*,

1 That \$1,000,000 of the foregoing appropriation shall remain  
2 available until expended for prosthetic testing and develop-  
3 ment.

#### 4 INPATIENT CARE

5 For expenses necessary for the maintenance and opera-  
6 tion of hospitals and domiciliary facilities and for the care  
7 and treatment of beneficiaries of the Veterans Administra-  
8 tion in facilities not under the jurisdiction of the Veterans  
9 Administration as authorized by law, including the furnishing  
10 of recreational articles and facilities; maintenance and opera-  
11 tion of farms; repairing, altering, improving or providing  
12 facilities in the several hospitals and homes under the juris-  
13 diction of the Veterans Administration, not otherwise provided  
14 for, either by contract, or by the hire of temporary employees  
15 and purchase of materials; purchase of seventy passenger  
16 motor vehicles for replacement only; not to exceed  
17 \$375,000 for expenses of travel of employees; uniforms or  
18 allowances therefor as authorized by the Act of September  
19 1, 1954, as amended (5 U. S. C. 2131) ; and aid to State  
20 or Territorial homes in conformity with the Act approved  
21 August 27, 1888, as amended (24 U. S. C. 134) for the  
22 support of veterans eligible for admission to Veterans Ad-  
23 ministration facilities for hospital or domiciliary care;  
24 \$715,465,000: *Provided*, That allotments and transfers

1 may be made from this appropriation to the Department of  
2 Health, Education, and Welfare (Public Health Service),  
3 the Army, Navy, and Air Force Departments, for dis-  
4 bursement by them under the various headings of their ap-  
5 plicable appropriations, of such amounts as are necessary  
6 for the care and treatment of beneficiaries of the Veterans  
7 Administration: *Provided further*, That the foregoing ap-  
8 propriation is predicated on furnishing inpatient care and  
9 treatment to an average of 140,800 beneficiaries during the  
10 fiscal year 1959 including members in State or Territorial  
11 homes, and if a lesser number is experienced such appro-  
12 priation shall be expended only in proportion to the average  
13 number of beneficiaries furnished such care and treatment.

14                                   OUTPATIENT CARE

15       For expenses necessary for furnishing outpatient care to  
16 beneficiaries of the Veterans Administration, as authorized  
17 by law; purchase of two passenger motor vehicles for re-  
18 placement only; uniforms or allowances therefor, as author-  
19 ized by law; and not to exceed \$206,400 for expenses of  
20 travel of employees; \$75,000,000.

21                                   MAINTENANCE AND OPERATION OF SUPPLY DEPOTS

22       For expenses necessary for maintenance and operation  
23 of supply depots, including purchase of one passenger motor  
24 vehicle for replacement only, uniforms or allowance therefor,

1 as authorized by law, and not to exceed \$7,400 for expenses  
2 of travel of employees, \$2,000,000.

### 3 COMPENSATION AND PENSIONS

4 For the payment of compensation, pensions, gratuities,  
5 and allowances (including burial awards authorized by title  
6 VIII of the Veterans' Benefits Act of 1957 (71 Stat. 117),  
7 and subsistence allowances authorized by part VII of  
8 Veterans Regulation 1 (a), as amended), authorized under  
9 any Act of Congress, or regulation of the President based  
10 thereon, including emergency officers' retirement pay and  
11 annuities, the administration of which is now or may here-  
12 after be placed in the Veterans Administration, and for the  
13 payment of adjusted-service credits as provided in sections  
14 401 and 601 of the Act of May 19, 1924, as amended (38  
15 U. S. C. 631 and 661), \$3,200,000,000, to remain avail-  
16 able until expended.

### 17 READJUSTMENT BENEFITS

18 For the payment of benefits to or on behalf of veterans  
19 as authorized by titles II, III, and V, of the Servicemen's  
20 Readjustment Act of 1944, as amended, and title II of the  
21 Veterans Readjustment Assistance Act of 1952, as amended,  
22 and for supplies, equipment, and tuition authorized by part  
23 VII of Veterans Regulation Numbered 1 (a), as amended,  
24 payments authorized by titles VI and VII of the Veterans'

1 Benefits Act of 1957 (71 Stat. 114-116), and for benefits  
2 authorized by the War Orphans' Educational Assistance Act  
3 of 1956, \$700,000,000, to remain available until expended:  
4 *Provided*, That the unexpended balance as of June 30, 1958,  
5 in the appropriation for "Automobiles and other con-  
6 veyances for disabled veterans", shall be merged with this  
7 appropriation.

8 VETERANS INSURANCE AND INDEMNITIES

9 For military and naval insurance; for the payment of  
10 benefits and for transfer to the national service life insurance  
11 fund, in accordance with the National Service Life Insurance  
12 Act of 1940, as amended; and for payment of liabilities  
13 under the Servicemen's Indemnity Act of 1951; \$51,100,-  
14 000, to remain available until expended: *Provided*, That the  
15 unexpended balances as of June 30, 1958, in the appropria-  
16 tions for "Military and naval insurance", "National service  
17 life insurance", and "Servicemen's indemnities" shall be  
18 merged with this appropriation: *Provided further*, That cer-  
19 tain premiums provided by law to be credited to any of the  
20 above appropriations shall be credited to this appropriation:  
21 *Provided further*, That this appropriation shall be subject to  
22 the same statutory provisions and shall be available for the  
23 same purpose as formerly applied to the aforementioned appro-  
24 priations.

# GRANTS TO THE REPUBLIC OF THE PHILIPPINES

For payment to the Republic of the Philippines of grants in accordance with the Act of July 1, 1948, as amended (50 U. S. C. App. 1991-1996), for expenses incident to medical care and treatment of veterans, \$1,000,000.

## CONSTRUCTION OF HOSPITAL AND DOMICILIARY

## FACILITIES

For hospital and domiciliary facilities, for planning and for major alterations, improvements, and repairs and extending any of the facilities under the jurisdiction of the Veterans Administration or for any of the purposes set forth in sections 1701-1703 of the Veterans Benefits Act of 1957 (71 Stat. 141), \$19,145,000, to remain available until expended: *Provided*, That the unexpended balance as of June 30, 1958, in the appropriation for "Major alterations, improvements, and repairs" shall be merged with this appropriation.

## ADMINISTRATIVE PROVISIONS

Not to exceed 5 per centum of any appropriation for the current fiscal year for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations, but not to exceed 10 per centum of the appropriations so augmented, and not to exceed \$500,000 of the appropriation "Veterans insurance and indemnities"

1 for the current year may be transferred to "Service-disabled  
2 veterans insurance fund".

3 Appropriations available to the Veterans Administration  
4 for the current fiscal year for salaries and expenses shall be  
5 available for services as authorized by section 15 of the Act  
6 of August 2, 1946 (5 U. S. C. 55a).

7 Appropriations available to the Veterans Administration  
8 for the current fiscal year for "Inpatient care" and "Out-  
9 patient care" shall be available for funeral, burial, and other  
10 expenses incidental thereto (except burial awards authorized  
11 by title VIII, Veterans' Benefits Act of 1957 (71 Stat. 117)  
12 (38 U. S. C., ch. 12A)), for beneficiaries of the Veterans  
13 Administration receiving care under such appropriations.

14 No part of the appropriations in this Act for the Veter-  
15 ans Administration (except the appropriation for "Con-  
16 struction of hospital and domiciliary facilities") shall be  
17 available for the purchase of any site for or toward the con-  
18 struction of any new hospital or home.

19 No part of the foregoing appropriations shall be avail-  
20 able for hospitalization or examination of any persons except  
21 beneficiaries entitled under the laws bestowing such benefits  
22 to veterans, unless reimbursement of cost is made to the  
23 appropriation at such rates as may be fixed by the Adminis-  
24 trator of Veterans Affairs.

## 1 INDEPENDENT OFFICES—GENERAL PROVISIONS

2 SEC. 102. Where appropriations in this title are ex-  
3 pendable for travel expenses of employees and no specific  
4 limitation has been placed thereon, the expenditures for  
5 such travel expenses may not exceed the amounts set forth  
6 therefor in the budget estimates submitted for the appro-  
7 priations: *Provided*, That this section shall not apply to  
8 travel performed by uncompensated officials of local boards  
9 and appeal boards of the Selective Service System.

10 SEC. 103. Where appropriations in this title are ex-  
11 pendable for the purchase of newspapers and periodicals and  
12 no specific limitation has been placed thereon, the expendi-  
13 tures therefor under each such appropriation may not ex-  
14 ceed the amount of \$50: *Provided*, That this limitation shall  
15 not apply to the purchase of scientific, technical, trade, or  
16 traffic periodicals necessary in connection with the per-  
17 formance of the authorized functions of the agencies for  
18 which funds are herein provided, nor to the purchase of  
19 newspapers and periodicals necessary for the care and wel-  
20 fare of patients and members in Veterans Administration  
21 hospitals and domiciliary facilities.

22 SEC. 104. No part of any appropriation contained in  
23 this title shall be available to pay the salary of any person  
24 filling a position, other than a temporary position, formerly  
25 held by an employee who has left to enter the Armed Forces

1 of the United States and has satisfactorily completed his  
2 period of active military or naval service and has within  
3 ninety days after his release from such service or from hos-  
4 pitalization continuing after discharge for a period of not  
5 more than one year made application for restoration to his  
6 former position and has been certified by the Civil Service  
7 Commission as still qualified to perform the duties of his  
8 former position and has not been restored thereto.

9       SEC. 105. Appropriations contained in this title, avail-  
10 able for expenses of travel shall be available, when specifi-  
11 cally authorized by the head of the activity or establishment  
12 concerned, for expenses of attendance at meetings of organi-  
13 zations concerned with the function or activity for which  
14 the appropriation concerned is made.

15       SEC. 106. No part of any appropriations made avail-  
16 able by the provisions of this title shall be used for the pur-  
17 chase or sale of real estate or for the purpose of establishing  
18 new offices outside the District of Columbia: *Provided*, That  
19 this limitation shall not apply to programs which have been  
20 approved by the Congress and appropriations made therefor.

21       SEC. 107. No part of any appropriation contained in this  
22 title shall be used to pay the compensation of any employee  
23 engaged in personnel work in excess of the number that

1 would be provided by a ratio of one such employee to one  
2 hundred and thirty-five, or a part thereof, full-time, part-  
3 time, and intermittent employees of the agency concerned:  
4 *Provided*, That for purposes of this section employees shall  
5 be considered as engaged in personnel work if they spend  
6 half time or more in personnel administration consisting of  
7 direction and administration of the personnel program; em-  
8 ployment, placement, and separation; job evaluation and  
9 classification; employee relations and services; training; wage  
10 administration; and processing, recording, and reporting.

11 SEC. 108. None of the sections under the head "Inde-  
12 pendent Offices—General Provisions" in this title shall apply  
13 to the Housing and Home Finance Agency.

## 14 TITLE II—CORPORATIONS

15 The following corporations and agencies, respectively,  
16 are hereby authorized to make such expenditures, within the  
17 limits of funds and borrowing authority available to each  
18 such corporation or agency and in accord with law, and to  
19 make such contracts and commitments without regard to  
20 fiscal year limitations as provided by section 104 of the  
21 Government Corporation Control Act, as amended, as may  
22 be necessary in carrying out the programs set forth in the

1 Budget for the fiscal year 1959 for each such corporation  
2 or agency, except as hereinafter provided:

3           FEDERAL HOME LOAN BANK BOARD

4   LIMITATION ON ADMINISTRATIVE AND EXAMINATION  
5   EXPENSES, FEDERAL HOME LOAN BANK BOARD

6       Not to exceed a total of \$1,600,000 shall be available for  
7 administrative expenses of the Federal Home Loan Bank  
8 Board, and shall be derived from funds available to the Fed-  
9 eral Home Loan Bank Board, including those in the Federal  
10 Home Loan Bank Board revolving fund and receipts of the  
11 Federal Home Loan Bank Administration, the Federal  
12 Home Loan Bank Board, or the Home Loan Bank Board for  
13 the current fiscal year and prior fiscal years, and the Board  
14 may utilize and may make payment for services and facilities  
15 of the Federal home-loan banks, the Federal Reserve banks,  
16 the Federal Savings and Loan Insurance Corporation, and  
17 other agencies of the Government (including payment for  
18 office space) : *Provided*, That all necessary expenses in con-  
19 nection with the conservatorship of institutions insured by  
20 the Federal Savings and Loan Insurance Corporation or  
21 preparation for or conduct of proceedings under section 5  
22 (d) of the Home Owners' Loan Act of 1933 or section 407  
23 of the National Housing Act and all necessary expenses (in-  
24 cluding services performed on a contract or fee basis, but not  
25 including other personal services) in connection with the

1 handling, including the purchase, sale, and exchange, of se-  
2 curities on behalf of Federal home-loan banks, and the sale,  
3 issuance, and retirement of, or payment of interest on,  
4 debentures or bonds, under the Federal Home Loan Bank  
5 Act, as amended, shall be considered as nonadministrative  
6 expenses for the purposes hereof: *Provided further*, That  
7 not to exceed \$55,000 shall be available for expenses  
8 of travel: *Provided further*, That members and alter-  
9 nates of the Federal Savings and Loan Advisory Council  
10 shall be entitled to reimbursement from the Board as ap-  
11 proved by the Board for transportation expenses incurred in  
12 attendance at meetings of or concerned with the work of such  
13 Council and may be paid not to exceed \$25 per diem in lieu  
14 of subsistence: *Provided further*, That notwithstanding any  
15 other provisions of this Act, except for the limitation in  
16 amount hereinbefore specified, the administrative expenses  
17 and other obligations of the Board shall be incurred, allowed,  
18 and paid in accordance with the provisions of the Federal  
19 Home Loan Bank Act of July 22, 1932, as amended (12  
20 U. S. C. 1421-1449) : *Provided further*, That the nonadmin-  
21 istrative expenses for the examination of Federal and State  
22 chartered institutions (other than special examinations deter-  
23 mined by the Board to be necessary) shall not exceed  
24 \$6,343,000.

1   LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
2       SAVINGS AND LOAN INSURANCE CORPORATION

3       Not to exceed \$720,000 shall be available for admin-  
4   istrative expenses, which shall be on an accrual basis  
5   and shall be exclusive of interest paid, depreciation, properly  
6   capitalized expenditures, expenses in connection with liqui-  
7   dation of insured institutions or preparation for or conduct of  
8   proceedings under section 407 of the National Housing Act,  
9   liquidation or handling of assets of or derived from insured  
10   institutions, payment of insurance, and action for or toward  
11   the avoidance, termination, or minimizing of losses in the  
12   case of insured institutions, legal fees and expenses, and pay-  
13   ments for administrative expenses of the Federal Home Loan  
14   Bank Board determined by said Board to be properly allo-  
15   cable to said Corporation, and said Corporation may utilize  
16   and may make payment for services and facilities of the  
17   Federal home-loan banks, the Federal Reserve banks, the  
18   Federal Home Loan Bank Board, and other agencies of the  
19   Government: *Provided*, That not to exceed \$15,400 shall  
20   be available for expenses of travel: *Provided further*, That  
21   notwithstanding any other provisions of this Act, except for  
22   the limitation in amount hereinbefore specified, the adminis-  
23   trative expenses and other obligations of said Corporation  
24   shall be incurred, allowed and paid in accordance with title

1 IV of the Act of June 27, 1934, as amended (12 U. S. C.  
2 1724-1730).

3 GENERAL SERVICES ADMINISTRATION

4 LIMITATION ON ADMINISTRATIVE EXPENSES, ABACA

5 FIBER PROGRAM

6 Not to exceed \$47,000 of funds available to the General  
7 Services Administration for the abaca fiber program shall be  
8 available for administrative expenses incident to the abaca  
9 fiber program, to be computed on an accrual basis, and to be  
10 exclusive of the interest paid, depreciation, capitalized ex-  
11 penditures, expenses in connection with the acquisition, pro-  
12 tection, operation, maintenance, improvement, or disposition  
13 of real or personal property relating to the abaca fiber pro-  
14 gram, and expenses of services performed on a contract or  
15 fee basis in connection with the performance of legal services.

16 LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL

17 FACILITIES CORPORATION

18 Not to exceed \$25,000 shall be available during the  
19 fiscal year 1959 for all administrative expenses of the  
20 Corporation (including use of the services and facilities  
21 of Federal Reserve banks), to be computed on an accrual  
22 basis, and to be exclusive of interest paid, depreciation,  
23 capitalized expenditures, expenses in connection with the  
24 acquisition, protection, operation, maintenance, improve-

1 ment, or disposition of real or personal property belonging  
2 to the Corporation or in which it has an interest, expenses  
3 of services performed on a contract or fee basis in connection  
4 with the performance of legal services, and all administrative  
5 expenses reimbursable from other Government agencies.

6 LIMITATION ON ADMINISTRATIVE EXPENSES, RECON-  
7 STRUCTION FINANCE CORPORATION LIQUIDATION  
8 FUND

9 Not to exceed \$42,500 (to be computed on an accrual  
10 basis) of the funds derived from liquidation of functions of  
11 Reconstruction Finance Corporation transferred to General  
12 Services Administration under Reorganization Plan No. 1 of  
13 1957 (22 F. R. 4633), shall be available during the current  
14 fiscal year for administrative expenses incident to the liqui-  
15 dation of said functions: *Provided*, That as used herein the  
16 term "administrative expenses" shall be construed to include  
17 all salaries and wages, services performed on a contract or  
18 fee basis, and travel and other expenses, including the pur-  
19 chase of equipment and supplies, of administrative offices,  
20 but this amount shall be exclusive of costs of services per-  
21 formed on a contract or fee basis in connection with the ter-  
22 mination of contracts or in the performance of legal services:  
23 *Provided further*, That the distribution of administrative  
24 expenses to the accounts shall be made in accordance with  
25 generally recognized accounting principles and practices.

## 1 HOUSING AND HOME FINANCE AGENCY

2 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF  
3 THE ADMINISTRATOR, COLLEGE HOUSING LOANS

4 Not to exceed \$1,675,000 shall be available for all ad-  
5 ministrative expenses, which shall be on an accrual basis, of  
6 carrying out the functions of the Office of the Administrator  
7 under the program of housing loans to educational institu-  
8 tions (title IV of the Housing Act of 1950, as amended,  
9 12 U. S. C. 1749-1749d), but this amount shall be exclusive  
10 of payment for services and facilities of the Federal Reserve  
11 banks or any member thereof, the Federal home-loan banks,  
12 and any insured bank within the meaning of the Act creating  
13 the Federal Deposit Insurance Corporation (Act of August  
14 23, 1935, as amended, 12 U. S. C. 264) which has been  
15 designated by the Secretary of the Treasury as a depository  
16 of public money of the United States: *Provided*, That not to  
17 exceed \$65,000 shall be available for expenses of travel.

18 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF  
19 THE ADMINISTRATOR, PUBLIC FACILITY LOANS

20 Not to exceed \$400,000 of funds in the revolving fund  
21 established pursuant to title II of the Housing Amend-  
22 ments of 1955, as amended, shall be available for  
23 administrative expenses, but this amount shall be exclusive of  
24 payment for services and facilities of the Federal Reserve

1 banks or any member thereof, the Federal home-loan banks,  
2 and any insured bank within the meaning of the Act creating  
3 the Federal Deposit Insurance Corporation (Act of August  
4 23, 1935, as amended, 12 U. S. C. 264) which has been  
5 designated by the Secretary of the Treasury as a depository  
6 of public money of the United States.

7 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF  
8 THE ADMINISTRATOR, REVOLVING FUND (LIQUIDAT-  
9 ING PROGRAMS)

10 During the current fiscal year not to exceed \$600,000  
11 shall be available for administrative expenses (including not  
12 to exceed \$38,000 for travel), but this amount shall be ex-  
13 clusive of costs of services performed on a contract or fee  
14 basis in connection with termination of contracts and legal  
15 services on a contract or fee basis and of payment for services  
16 and facilities of the Federal Reserve banks or any member  
17 thereof, any servicer approved by the Federal National  
18 Mortgage Association, the Federal home-loan banks, and  
19 any insured bank within the meaning of the Act of August  
20 23, 1935, as amended, creating the Federal Deposit In-  
21 surance Corporation (12 U. S. C. 264) which has been  
22 designated by the Secretary of the Treasury as a depository  
23 of public money of the United States.

1   LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
2                   NATIONAL MORTGAGE ASSOCIATION

3       Not to exceed \$4,750,000 shall be available for admin-  
4   istrative expenses, which shall be on an accrual basis, and  
5   shall be exclusive of interest paid, expenses (including ex-  
6   penses for fiscal agency services performed on a contract or  
7   fee basis) in connection with the issuance and servicing of  
8   securities, depreciation, properly capitalized expenditures,  
9   fees for servicing mortgages, expenses (including services  
10  performed on a force account, contract, or fee basis, but not  
11  including other personal services) in connection with the ac-  
12  quisition, protection, operation, maintenance, improvement,  
13  or disposition of real or personal property belonging to said  
14  Association or in which it has an interest, cost of salaries,  
15  wages, travel, and other expenses of persons employed out-  
16  side of the continental United States, expenses of services  
17  performed on a contract or fee basis in connection with the  
18  performance of legal services, and all administrative expenses  
19  reimbursable from other Government agencies, and said As-  
20  sociation may utilize and may make payment for services and  
21  facilities of the Federal Reserve banks and other agencies  
22  of the Government: *Provided*, That the distribution of ad-  
23  ministrative expenses to the accounts of the Association shall

1 be made in accordance with generally recognized account-  
2 ing principles and practices: *Provided further*, That not to  
3 exceed \$125,000 shall be available for expenses of travel.

4 LIMITATION ON ADMINISTRATIVE AND NONADMINISTRA-  
5 TIVE EXPENSES, FEDERAL HOUSING ADMINIS-  
6 TRATION

7 For administrative expenses in carrying out duties im-  
8 posed by or pursuant to law, not to exceed \$7,300,000 of  
9 the various funds of the Federal Housing Administration  
10 shall be available, in accordance with the National Housing  
11 Act, as amended (12 U. S. C. 1701), including uniforms or  
12 allowances therefor, as authorized by the Act of September  
13 1, 1954, as amended (5 U. S. C. 2131): *Provided*, That,  
14 except as herein otherwise provided, all expenses and obli-  
15 gations of said Administration shall be incurred, allowed,  
16 and paid in accordance with the provisions of said Act:  
17 *Provided further*, That not to exceed \$445,000 shall be  
18 available for expenses of travel: *Provided further*, That  
19 funds shall be available for contract actuarial services (not to  
20 exceed \$1,500); and purchase of periodicals and newspapers  
21 (not to exceed \$750): *Provided further*, That nonadminis-  
22 trative expenses classified by section 2 of Public Law 387,  
23 approved October 25, 1949, shall not exceed \$38,500,000,

1 LIMITATION ON ADMINISTRATIVE AND NONADMINISTRA-  
2 TIVE EXPENSES, PUBLIC HOUSING ADMINISTRATION

3 Not to exceed the amount appropriated for such ex-  
4 penses by title I of this Act shall be available for the  
5 administrative expenses of the Public Housing Administra-  
6 tion in carrying out the provisions of the United States Hous-  
7 ing Act of 1937, as amended (42 U. S. C. 1401-1433), in-  
8 cluding not to exceed \$900,000 for expenses of travel;  
9 purchase of uniforms, or allowances therefor, as authorized  
10 by the Act of September 1, 1954, as amended (5 U. S. C.  
11 2131); purchase of not to exceed one passenger motor  
12 vehicle for replacement only; and expenses of attendance  
13 at meetings of organizations concerned with the work of the  
14 Administration: *Provided*, That necessary expenses of  
15 providing representatives of the Administration at the sites  
16 of non-Federal projects in connection with the construction  
17 of such non-Federal projects by public housing agencies  
18 with the aid of the Administration, shall be compensated by  
19 such agencies by the payment of fixed fees which in the  
20 aggregate in relation to the development costs of such projects  
21 will cover the costs of rendering such services, and expendi-  
22 tures by the Administration for such purpose shall be  
23 considered nonadministrative expenses, and funds received

1 from such payments may be used only for the payment of  
2 necessary expenses of providing representatives of the Ad-  
3 ministration at the sites of non-Federal projects: *Provided*  
4 *further*, That all expenses of the Public Housing Adminis-  
5 tration not specifically limited in this Act, in carrying out  
6 its duties imposed by law, shall not exceed \$1,800,000.

7       CORPORATIONS—GENERAL PROVISION

8       SEC. 202. No part of the funds of, or available for  
9 expenditure by, any corporation or agency included in this  
10 title shall be used to pay the compensation of any employee  
11 engaged in personnel work in excess of the number that  
12 would be provided by a ratio of one such employee to one  
13 hundred and thirty-five, or a part thereof, full-time, part-  
14 time, and intermittent employees of the agency concerned:  
15 *Provided*, That for purposes of this section employees shall  
16 be considered as engaged in personnel work if they spend  
17 half-time or more in personnel administration consisting of  
18 direction and administration of the personnel program; em-  
19 ployment, placement, and separation; job evaluation and  
20 classification; employee relations and services; training;  
21 committees of expert examiners and boards of civil-service  
22 examiners; wage administration; and processing, recording,  
23 and reporting.

## 1           TITLE III—GENERAL PROVISIONS

2           SEC. 301. No part of any appropriation contained in  
3 this Act, or of the funds available for expenditure by any  
4 corporation or agency included in this Act, shall be used  
5 for publicity or propaganda purposes designed to support  
6 or defeat legislation pending before the Congress.

7           This Act may be cited as the “Independent Offices  
8 Appropriation Act, 1959”.

          Passed the House of Representatives March 27, 1958.

Attest:

RALPH R. ROBERTS,

*Clerk.*

---

## AN ACT

---

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

---

MARCH 31, 1958

Read twice and referred to the Committee on  
Appropriations





May 28, 1958

10. FOREIGN TRADE; SURPLUS COMMODITIES. Reps. Hays and Coffin, in the report on their Special Study Mission to Canada, noted that the Canadians are disturbed over triangle and barter transactions under Public Law 480, and that they contend "The United States is exporting its own farm problem." Among their recommendations they urge that in exporting agricultural commodities, such as wheat, for local currencies, the U. S. should pay special attention to Canada's interest and avoid commercial markets. They suggest "The hazards of a joint United States-Canadian wheat marketing corporation should be explored." (H. Rept. 1766).

SENATE

11. AGRICULTURAL APPROPRIATION BILL FOR 1959. Agreed to the conference report on this bill, H. R. 11767. Concurred in the House amendments to the two Senate amendments reported in disagreement (see Digest 84). Sen. Mundt emphasized his understanding that the amendments would not decrease the payments made to conservationists engaged in action beneficial to wildlife. This bill will now be sent to the President. pp. 8713-16
12. APPROPRIATIONS. The Subcommittee ordered reported to the Appropriations Committee H. R. 10589, ~~general government matters appropriation bill for 1959,~~ and H. R. 11574, independent offices appropriation bill for 1959. p. D476
13. COTTON ALLOTMENTS. Passed without amendment S. 3890, to permit the transfer of 1958 farm acreage allotments for cotton in cases of natural disaster. Sens. Eastland, Knowland, and Kuchel discussed the interpretation of several terms in the bill. p. 8717
14. UNEMPLOYMENT COMPENSATION. Passed without amendment H. R. 12065, to provide for temporary continuation of unemployment benefits. This bill will now be sent to the President. pp. 8660-85, 8694-5, 8701-13, 8724-6
15. FOREIGN AID. Began debate on H. R. 12181, the mutual security authorization bill for 1958. pp. 8717-24  
Sen. Javits inserted a resolution of the Long Island, N. Y., Federation of Women's Clubs urging the elimination of all nonessential spending in the foreign aid program. p. 8641
16. TRANSPORTATION. The Interstate and Foreign Commerce Committee reported with amendments S. Res. 303, to authorize a study of the U. S. transportation system, which was referred to the Rules and Administration Committee. p. 8642
17. TAXATION. Sen. Carlson was added as a cosponsor to S. 3718, to allow more rapid depreciation for taxes on property bought in 1958 or 1959. p. 8645
18. STATEHOOD. Sen. Mansfield urged passage of the Alaskan statehood bill in the House and invited the Senate to consider statehood for Hawaii. p. 8655
19. ELECTRIFICATION. Sen. Neuberger stated that following hearings the Public Works Committee staff would work on recommendations made to improve S. 3114, to create a Columbia River Power Corp., and S. 2206, to grant a higher priority to industrial users of power in the Pacific Northwest. He inserted an article stating that upstream-downstream disputes plus private-public utility conflicts over the preference clause were preventing agreement on a self-financed public power corporation for the Columbia Valley. p. 8692

20. HUMANE SLAUGHTER. Sen. Neuberger urged that the humane slaughter bill be reported by the Senate Committee, and inserted an editorial favoring it. pp. 8693-4
21. FLOOD CONTROL. Sen. Watkins inserted the statement of Matt Triggs of the Farm Bureau in opposition to S. 497, the vetoed rivers and harbors and flood control bill, centering on provisions allowing the Corps of Engineers to construct water-storage facilities without further action by Congress and continuing the assertion of Federal dominance over State water-use laws. pp. 8695-6
22. LANDS. Sen. Murray inserted the court opinion on the compensation for the Crow Indians for the right-of-way for the Yellowtail Dam site and reservoir, Hardin unit, Missouri River Basin project. pp. 8696-8701
23. PUBLIC WORKS. Sens. Chavez and Douglas discussed Sen. Chavez' position as Chairman of the Public Works Committee, and their respective views on public works projects. pp. 8687-8
24. HOUSING. Passed without amendment S. J. Res. 171, to increase the mortgage authorization of FHA by \$4 billion. pp. 8717-18
25. RESEARCH. Sen. Morse expressed his disappointment that no social scientist was nominated to the Board of the National Science Foundation. p. 8727
26. FOREIGN TRADE; SURPLUS COMMODITIES. Sen. Javits inserted a resolution of the faculty of Syracuse University urging Congress to amend Public Law 480 to permit the use of such funds to translate and acquire foreign scholarly works. p. 8640
27. TRADE AGREEMENTS. Sen. Javits inserted a resolution of the West Brooklyn, N. Y., Independent Democrats supporting extension of the Trade Agreements Act for 5 years. p. 8640

#### ITEMS IN APPENDIX

28. ELECTRIFICATION. Sen. Hill inserted Sen. Morse's recent address, "Power and Progress," before the American Public Power Ass'n convention. pp. A4905-7
29. INDUSTRIAL USES. Sen. Capehart inserted an article, "Federal Men Speed Search for Crop Uses, Slow Output Research." pp. A4911-2
30. SMALL BUSINESS. Rep. Multer inserted testimony presented before the Senate Banking and Currency Committee on proposed amendments to the Small Business Act of 1953 to aid in small business financing. pp. A4914-6
31. TAXATION. Extension of remarks of Sen. Proxmire commending and inserting an editorial criticizing the President's decision against a tax cut and stating the President seems to be "entranced with a Hooveresque view of the economy." p. A4921
32. TOBACCO. Extension of remarks of Rep. Cooley inserting correspondence pointing up certain facts with respect to tobacco's foreign-trade position. pp. A4922-3
33. FARM PROGRAM. Extension of remarks of Rep. Hillings inserting a "penetrating analysis of agriculture in a free economy" prepared by Claude Hutchison, vice president and dean of agriculture emeritus, University of California. pp. 4925-7





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 6, 1958  
For actions of June 5, 1958  
85th-2d, No. 90

## CONTENTS

Adjournment.....	14	Forestry.....	18	Rice allotments.....	17
Appropriations.....	2,9,18	Future Farmers.....	29	Surplus commodities.....	8
Budgeting.....	7	Industrial uses.....	31	Taxation.....	11,25
Civil defense.....	23	Newsprint.....	12	Trade agreements.....	8
Credit union.....	19	Pay raise.....	3	Transportation.....	24
Distressed areas.....	20	Personnel.....	3,5,10	Virgin Islands.....	22
Economic situation....	4,11	Postal service.....	21	Water compact.....	16
Electrification.....	30	Property.....	25	Watersheds.....	13
Expenditures.....	5	Reclamation.....	15	Weather control.....	6
Foreign aid.....	1,8,28	Research.....	6	Wheat.....	26
Foreign trade.....	27				

HIGHLIGHTS: Senate debated mutual security bill. Senate committee reported General Government matters and independent offices appropriation bills. Pay-raise bill was sent to conference.

## SENATE

1. FOREIGN AID. Continued debate on H. R. 12181, the mutual security authorization bill. pp. 9232-3, 9235-92  
By a vote of 43 to 42, agreed to the Knowland amendment barring aid to Communist countries. p. 9235
2. APPROPRIATIONS. The Appropriations Committee reported with amendments H. R. 10589, the general Government matters appropriation bill, and H. R. 11574, the independent offices appropriation bill (S. Repts. 1655, 1656). p. 9221
3. PAY RAISE. House and Senate conferees were appointed on S. 734, the Federal pay-raise bill. pp. 9181, 9230  
Regarding this bill, Sen. Johnston stated: "I have been informed that the House conferees will not be available to meet this week. I am hopeful that as soon as I return to the city on Wednesday of next week, the conferees will be able to meet and come to a decision promptly." p. 9248

4. ECONOMIC SITUATION. Sen. Clark said "complacency, ...drift and indecision, prevails in relation to our domestic economy." pp. 9218-20
5. PERSONNEL; EXPENDITURES. The Joint Committee on Reduction of Nonessential Federal Expenditures submitted a summary of its monthly reports on employment for Feb.-Apr. 1958. pp. 9221-4
6. WEATHER CONTROL. Sen. Wiley recommended additional weather-control research for defense purposes. pp. 9227-9
7. BUDGETING. Both Houses received from this Department a report on an over-obligation; to Appropriations Committees. pp. 9214, 9220
8. SURPLUS COMMODITIES; TRADE AGREEMENTS. Sen. Watkins submitted (June 3) an amendment which he intends to propose to H. R. 12181, the foreign aid bill, to authorize use of CCC surpluses to alleviate economic hardship caused to foreign workers through use of the escape clause of the Trade Agreement Act.

#### HOUSE

9. DEFENSE APPROPRIATION BILL. Passed with amendment this bill, H. R. 12738. pp. 9175-6
10. PERSONNEL. The Post Office and Civil Service Committee ordered reported S. 1901, to grant overtime pay for irregular and unscheduled hours of work beyond regular tours of duty (for fire fighters, etc.). p. D504  
The Post Office and Civil Service Committee established a special subcommittee on Federal employee training bills (H. R. 6001, H. R. 1989, and S. 385) consisting of Reps. Hemphill, Granahan, Young, Scott (N. C.), Cederberg, Johansen, and Dennison. p. D504  
Received the conference report on S. 72, to increase annuities payable to certain annuitants from the civil service retirement and disability fund (H. Rept. 1848). pp. 9179-81
11. TAXES. Passed without amendment H. R. 12695, the tax rate extension bill, after discussion of the economic situation. pp. 9184-203
12. NEWSPRINT. Rep. Friedel urged the Justice Department to investigate whether the newsprint industry is violating anti-monopoly statutes. pp. 9203-4
13. WATERSHEDS. The Agriculture Committee approved the projects for Canoe Creek, Ky., and Wild Rice Creek, N. Dak. and S. Dak., under the Watershed Protection and Flood Prevention Act. p. 9213
14. ADJOURNED until Mon., June 9. p. 9213

#### BILLS APPROVED BY THE PRESIDENT

15. RECLAMATION. H. R. 6940, to authorize the Interior Department to reimburse landowners and tenants for expenses, leases, or damages incurred in moving themselves, their families, and their possessions, when such moves are occasioned by the acquisition of lands for water conservation and other public-works projects under the jurisdiction of that Department. Approved May 29, 1958 (Public Law 85-433, 85th Congress).
16. WATER COMPACT. S. 2557, to allow additional time for negotiation of certain compacts by Neb., Wyo., and S. Dak., for division of the Niobrara River waters. Approved May 29, 1958 (Public Law 85-427, 85th Congress).

# Calendar No. 1687

85TH CONGRESS }  
2d Session }

SENATE {

REPORT  
No. 1656

## INDEPENDENT OFFICES APPROPRIATION BILL, 1959

JUNE 5 (*legislative day, June 4*), 1958.—Ordered to be printed

Mr. MAGNUSON, from the Committee on Appropriations, submitted the following

### REPORT

[To accompany H. R. 11574]

The Committee on Appropriations, to whom was referred the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House.....	\$6, 549, 920, 900
-------------------------------------	--------------------

Amount of decrease by Senate.....	412, 672, 000
-----------------------------------	---------------

Amount of bill as reported to Senate.....	6, 137, 248, 900
---	------------------

Amount of appropriations, 1958.....	5, 709, 005, 402
-------------------------------------	------------------

Amount of regular and supplemental estimates, 1959..	5, 927, 060, 500
--	------------------

The bill as reported to the Senate:

Over the estimates for 1959.....	210, 188, 400
----------------------------------	---------------

Over the appropriations for 1958.....	428, 243, 498
---------------------------------------	---------------

### GENERAL STATEMENT

The bill provides a total amount of \$6,137,248,900, which is \$210,188,400 or 3.54 percent over the estimates for 1959, \$428,243,498 over the appropriations for 1958, and a decrease of \$412,672,000 under the House bill. The net decrease under the House bill results from increases totaling \$176,366,000 and decreases totaling \$589,038,000.

The following supplemental estimates were considered by the committee and allowed in full:

Federal Civil Defense Administration, for consolidation of delegated functions (S. Doc. 89)-----	\$2, 915, 000
Veterans' Administration, for Inpatient Care (S. Doc. 94)-----	1, 802, 000
Total, supplemental estimates-----	4, 717, 000

The House bill provided \$627,577,400 over the budget estimates, consisting of \$200,042,600 in decreases and \$827,620,000 in increases. The increases over the budget estimates in the House bill were for the following:

Payment to civil service retirement and disability fund-----	\$589, 000, 000
Repair and improvement, federally owned buildings-----	25, 000, 000
Sites and expenses, public buildings projects-----	18, 000, 000
Construction, public buildings projects-----	177, 255, 000
Inpatient care, Veterans' Administration-----	8, 365, 000
Construction of hospital and domiciliary facilities, VA-----	10, 000, 000
Total-----	827, 620, 000

The Senate committee has agreed with all but 2 of these increases over the budget estimates, being the payment to the civil service retirement and disability fund in the amount of \$589,000,000, and the exemption of the Sacramento project involving \$10,026,000, and has added further increases over the budget estimates, as follows:

Sites and expenses, public buildings projects-----	\$1, 915, 000
Construction, public buildings projects-----	29, 337, 000
Strategic and critical materials, for upgrading program-----	10, 500, 000
Farm housing research, HHFA-----	100, 000
Medical research, Veterans' Administration-----	6, 800, 000
Construction of hospital and domiciliary facilities, Veterans' Administration-----	300, 000
Total-----	48, 952, 000

### CIVIL SERVICE COMMISSION

#### PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

The committee recommends the deletion of this item from the bill, both as to the amount of \$589,000,000 placed in the bill to make the fund self-sustaining in 1959, and as to the language which would require that before any increase in annuity-benefits or any new annuity benefits are paid there must first be an appropriation made to the retirement fund to cover the increased costs of such benefits to prevent an immediate increase in the unfunded accrued liability of the fund.

The committee is concerned that this unfunded liability has been allowed to slip back to more than \$18 billion and is alarmed that the Bureau of the Budget should refuse to submit an estimate of the appropriation required to meet the normal cost plus interest basis as recommended by the Kaplan committee in 1954. The Civil Service Commission, as required by law, computed the normal cost to the Government plus interest on the deficiency at \$1,238,602,000, allowed for contributions by the agencies at 6½ percent of their annual payrolls of \$649,025,000, and requested an estimate of \$589,577,000 for the Government cost not met by agencies' contributions.

In recommending this method of financing, the Kaplan report stated:

The committee therefore recommends the adoption of the normal-plus-interest method. The committee recognizes, however, that as a practical matter, considering the present fiscal situation of the Government, the immediate achievement of this method may not be possible. Accordingly, if the appropriations necessary to arrive at this objective cannot initially be adopted, it is proposed that the Government start with such lesser amount as may be determined to be feasible, with the aim of ultimately reaching this goal.

It will be desirable from time to time to review the progress made toward this objective, taking into account changes in basic conditions. The longer the delay in meeting this objective, the greater will be the required Government annual appropriations needed in later years to meet the normal-plus-interest funding method.

The committee is now advised that providing the law is met, in that employee deductions are made, the Government contributions are made, and interest is received on the fund, the present fund amounting to \$7.5 billion will grow to almost \$14 billion by 1974 and then will start to go downhill because the benefits at that point will exceed the guaranteed income, and on this basis the fund ultimately would be exhausted.

The last quinquennial valuation of the retirement system by the Board of Actuaries as required by law was made for the benefit of the Kaplan committee as of June 30, 1953. The Civil Service Commission proposes to make during fiscal year 1959 the next valuation required by law as of June 30, 1958.

The committee requests the Civil Service Commission, on the basis of this new quinquennial valuation by the Board of Actuaries of the civil service retirement system, to submit recommendations, in conjunction with the Bureau of the Budget and the General Accounting Office, to the legislative and appropriations committees of the House and Senate, for keeping the fund current and for providing on a sound basis for the future liabilities of the Government to the beneficiaries. It is hoped that such recommendations could be available for consideration in connection with the estimates for fiscal year 1960.

## FEDERAL CIVIL DEFENSE ADMINISTRATION

### OPERATIONS

The committee recommends an increase of \$3,665,000, to provide a total amount of \$21,915,000 for civil-defense operations, which is \$400,000 below the revised budget estimate.

A supplemental estimate was considered and allowed in the full amount of \$2,915,000 for a consolidation of amounts for delegated functions previously budgeted for the Housing and Home Finance Agency, the Department of Commerce, the Corps of Engineers, the Department of Health, Education, and Welfare, the Department of Labor, and the Post Office Department. The committee also recommends increasing the amount in the proviso earmarking funds for delegated functions from \$250,000 to \$2,915,000.

The committee recommends increasing the limitation for the purchase of newspapers, periodicals, and teletype news services from \$6,000 to the budget estimate of \$10,000. The committee also recommends increasing the limitation for expenses of travel from \$815,000 to the budget estimate of \$1,050,000.

#### RESEARCH AND DEVELOPMENT

The committee recommends an increase of \$1,000,000, to provide a total amount of \$3,000,000 for research and development, which is \$1,400,000 below the budget estimate. The increase recommended will permit acceleration of research activities in radiological defense, engineering, and nuclear testing.

#### FEDERAL COMMUNICATIONS COMMISSION

In agreeing with the House allowance of \$8,900,000, which is a reduction of \$50,000 from the budget estimate, the committee believes the Commission should have flexibility in assigning personnel in order to clear backlogs in all phases of their work, instead of having them available for any particular activities only.

#### FEDERAL POWER COMMISSION

An increase of \$385,000 is recommended for the salaries and expenses of the Commission, to provide the total budget estimate of \$6,385,000. The committee also recommends an increase of \$50,000 to provide the total budget estimate of \$400,000 for the limitation on expenses of travel.

The committee recommends the deletion of the proviso limiting to \$307,400 the amount available for investigations relating to Federal river development projects.

#### FEDERAL TRADE COMMISSION

The committee recommends an increase of \$50,000, to provide a total amount of \$6,000,000 for salaries and expenses of the Commission, which is \$25,000 below the budget estimate. The committee also recommends an increase of \$8,000 in the limitation for expenses of travel, to provide a total amount of \$259,250.

#### GENERAL SERVICES ADMINISTRATION

##### PUBLIC BUILDINGS SERVICE

An increase of \$5,050,000 is recommended for operating expenses, to provide a total amount of \$138,089,000, which is \$411,000 below the budget estimate; \$3,195,000 of the restoration is to pay for leased space formerly financed by appropriations to tenant agencies, and \$1,095,000 is for additional leased space required to house increased employment throughout the United States; \$760,000 of the restoration is for functions delegated by the Office of Defense Mobilization, since consolidation of such items has been deferred until the estimates for fiscal year 1960.

The committee also recommends an increase of \$50,000 in the limitation for expenses of travel, to provide a total amount of \$272,000.

## SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

The committee agrees with the action of the House in providing \$38,000,000, or \$18,000,000 over the estimate, for the completion of site acquisition and preparation of plans for all presently approved public buildings projects. In addition, the committee recommends an increase of \$415,000 for site and planning expenses for a Federal office building at Bismarck, N. Dak., and \$1,500,000 for site and planning expenses for a courthouse and Federal office building at Memphis, Tenn. The total amount provided is \$39,915,000 for sites and expenses.

The committee recommends inserting in the bill the budget language for moving and rental costs for agencies to be displaced by new construction. The committee is advised that this is a proper charge to construction costs, and that there is no provision for such expenses under the operating expenses for the Public Buildings Service.

The provision prohibiting funds for planning Federal office building No. 7 in the District of Columbia is recommended by the committee to be deleted, since the committee is advised that acquisition in Square 167 has been completed and planning funds are recommended under another item in the bill.

The committee recommends adding to the bill a provision increasing by not to exceed \$130,000 the funds that may be deposited to the administrative operations fund. The committee is advised that this increase is required by reason of the workload occasioned by the addition of \$18,000,000 to the item.

## CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

The committee agrees in principle with the action of the House in providing direct appropriations for the construction of public buildings projects in lieu of authorization for purchase contracts.

The committee is advised, however, that General Services Administration has now placed 28 projects under purchase contracts, of which 22 projects have been included in the list of projects approved for direct appropriations as projects approved for construction in 1959. Of the 6 remaining projects under purchase contracts, 4 are under construction and included in the item for payments on public buildings purchase contracts (Rock Island, Ill.; Council Bluffs, Iowa; Kansas City, Kans.; and Burlington, Iowa), and 2 are under construction and will later be provided for as to purchase contract payments (Atlanta, Ga., and Albuquerque, N. Mex.).

The committee is also advised of an unusual situation existing in connection with the project at Sacramento, Calif., in that bonds were sold on a pledge of revenue to be derived from taxes paid on increased assessed valuation as a basis for the purchase contract, and believes that the purchase contract should be allowed to proceed on a 10-year basis, as authorized under another item.

Therefore, the committee recommends taking the Sacramento project in the amount of \$10,026,000 out of the 66 projects listed in the House report for direct appropriation. As a result, the committee approves the amount of \$167,229,000 for the remaining 65 projects as listed in the House report, and the committee recommends

adding \$29,337,000 for 3 general-purpose projects and 2 special-purpose projects, as follows:

St. Louis, Mo., records center-----	\$6, 572, 000
Oklahoma City, Okla., Federal building-----	7, 335, 000
District of Columbia, Federal office building No. 6-----	14, 750, 000
Dunseith, N. Dak., border inspection station-----	400, 000
Grand Forks, N. Dak., border-patrol headquarters-----	280, 000
Total-----	29, 337, 000

The total amount provided is \$196,566,000.

In recommending the construction of Federal office building No. 6 and planning funds for Federal office building No. 7 in the District of Columbia (under another item in the bill), the committee is advised that new office space for Federal agencies is vitally needed and is persuaded that early starting on such construction will assist employment in the District of Columbia as well as elsewhere throughout the country on procurement items required thereby.

The committee also recommends the deletion of the provision stating the total amount available for the project at Milledgeville, Ga., since the added cost for construction is included in each item for which direct appropriation is made.

#### PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS

In agreeing with the House allowance of \$310,900 for payments to cover the projects at Rock Island, Ill.; Council Bluffs, Iowa; Kansas City, Kans., and Burlington, Iowa, the committee recommends the deletion of the following proviso:

*: Provided, That hereafter no part of any funds in this or any other Act shall be used for payment for sites, planning or construction of any buildings by lease-purchase contracts except buildings used solely for post office purposes*

and in lieu thereof that the following proviso be inserted in the bill, in order to carry out the exceptions under which purchase contracts are recommended to be allowed as stated under the previous item:

*: Provided, That hereafter, except for projects located at Atlanta, Georgia; Rock Island, Illinois; Council Bluffs, Iowa; Kansas City, Kansas; Burlington, Iowa; Albuquerque, New Mexico; and Sacramento, California, no part of any funds in this or any other Act shall be used for payment for sites, planning or construction of any buildings by lease-purchase contracts: Provided further, That the Administrator of General Services may enter into a 10-year contract for the project at Sacramento, California, during the fiscal year 1959, for which the annual payment for amortization of principal and interest thereon shall not exceed \$1,250,600*

#### CONSTRUCTION, UNITED STATES COURT OF CLAIMS AND FEDERAL OFFICE BUILDING, WASHINGTON, D. C.

The committee recommends the restoration of the item for plans and specifications for Federal office building No. 7 in the District of Columbia in the amount of \$1,200,000. This building will accommodate the United States Court of Claims, agencies of the Executive Office of the President, and other Federal agencies.

## CONSTRUCTION, UNITED STATES MISSION BUILDING, NEW YORK, N. Y.

The committee recommends the restoration of the item for construction of a building in New York City for use as the headquarters of the United States Mission to the United Nations, in the amount of \$3,975,000. The committee is advised that a determination has been made that such a separate building should be provided for occupancy by the mission, on the basis of security and efficiency, as well as economy.

## FEDERAL SUPPLY SERVICE

The committee recommends an increase of \$200,000, to provide a total amount of \$3,560,000 for operating expenses, which is \$55,000 below the budget estimate. The restoration recommended is for Federal catalog participation, service direction and administrative operations, as opposed to increases for improvements in supply management.

The correction of a typographical error is recommended in the provision limiting the amount of funds available for utilization and disposal of surplus personal property, by inserting the word "not".

## EXPENSES, SUPPLY DISTRIBUTION

An increase of \$1,200,000 is recommended, to provide a total amount of \$19,365,000 for expenses of supply distribution, which is \$135,000 below the budget estimate.

The committee also recommends an increase in the limitation for expenses of travel from \$120,000 to \$145,000.

## GENERAL SUPPLY FUND

The committee recommends the restoration of the item to increase the general supply fund in the amount of \$12,500,000, which is \$2,500,000 below the budget estimate. The committee is advised that such flexibility is required for the handling of increased sales volume.

## NATIONAL ARCHIVES AND RECORDS SERVICE

Restoration in the amount of \$322,000 is recommended for operating expenses, to provide a total amount of \$7,615,000, which is \$35,000 below the budget estimate. Included in this restoration is \$60,000, requested to begin a 3-year program for microfilming compiled military service records of soldiers in the Confederate Army, on which the consolidated index has been completed.

The committee also recommends that the limitation for expenses of travel be increased from \$50,000 to \$59,000, the amount of the budget estimate.

## TRANSPORTATION AND PUBLIC UTILITIES SERVICE

An increase of \$100,000 is recommended for operating expenses, to provide a total amount of \$1,900,000, which is \$100,000 below the budget estimate. The committee also recommends that the limitation on the amount for expenses of travel be increased from \$60,000 to \$65,500, which is \$5,000 below the budget estimate.

Section 201 of the Federal Property and Administrative Services Act of 1949, under the title for property management, provides that the Administrator shall, in respect of executive agencies, and to the extent that he determines that so doing is advantageous to the Government in terms of economy, efficiency, or service—

with respect to transportation and other public utility services for the use of executive agencies, represent such agencies in negotiations with carriers and other public utilities and in proceedings involving carriers or other public utilities before Federal and State regulatory bodies.

The committee believes that GSA has performed satisfactorily and with resulting savings to the taxpayers in negotiations with carriers and other public utilities for advantageous rates, charges, tariffs, routings, etc.

Complaints have been received by the committee, however, regarding the participation of GSA in proceedings involving carriers or other public utilities before Federal and State regulatory bodies, that GSA representatives have exceeded a clear interpretation of the law in connection with such proceedings.

In the opinion of the committee, GSA should act in such proceedings to protect the interests of the Government's executive agencies as users of such utilities, in the same fashion as any other user of such utilities, without interfering with the functions of the regulatory bodies before whom they make appearance.

#### STRATEGIC AND CRITICAL MATERIALS

In lieu of continuing funds available for carrying out the provisions of the Stockpiling Act, the committee recommends an appropriation in the amount of \$80,500,000. Of this amount, \$70,000,000 is the budget estimate to complete reimbursement to the Commodity Credit Corporation for strategic materials acquired under the barter program. This transfer will allow the materials to be taken into the national stockpile, will prevent additional charges being shown against the price support program and will free funds of the corporation for its normal operations.

The additional amount of \$10,500,000 is to provide funds for beginning a program of upgrading materials in the stockpile and have them ready for immediate use by industrial technology, as emergency defense needs may require, instead of running the risk of costly delays in processing after the emergency may arise. The committee is advised that there are large quantities of ores now in open storage which are deteriorating in grade or in volume and which it would be in the interest of economy to upgrade. The committee is also advised that there are materials in the stockpile of subspecification grade which should be upgraded for use as specification grade material, and furthermore, that there are materials of specification grade which perhaps should be upgraded to another form. The committee requests the Office of Defense Mobilization and the General Services Administration to submit by September 1, 1958, to the Appropriations Committees of the House and Senate a report showing the quantities of materials in the stockpile program that could be beneficially upgraded as indicated above, recommendations for such a program, and an estimate of

its cost. While the report is being prepared, however, the committee requests that action be taken on the upgrading program under the best judgment of the Office of Defense Mobilization and the General Services Administration.

The committee also recommends that the limitation for expenses of travel be increased from \$86,000 to \$106,000.

#### ADMINISTRATIVE OPERATIONS FUND

An increase of \$686,000 is recommended, to provide a total amount of \$11,386,000 for the limitation on funds available for administrative operations, which is \$286,000 over the budget estimate. Exceeding the budget estimate is required in order to provide for administrative operations increases under the repair and improvement and the sites and expenses programs, in particular. The committee also recommends that the limitation for travel expenses be increased from \$170,000 to \$198,000, the amount of the estimate.

#### FEDERAL FACILITIES CORPORATION

An increase of \$15,000 is recommended, to provide a total amount of \$40,000 for the administrative expense limitation of the Federal Facilities Corporation, which is \$10,000 below the budget estimate. It is hoped that such funds will be sufficient to finally close out this liquidation.

#### RECONSTRUCTION FINANCE CORPORATION LIQUIDATION FUND

An increase of \$11,500 is recommended, to provide the full budget estimate of \$54,000 for the administrative expense limitation. The committee is advised that this amount is required in order to handle the workload.

#### HOUSING AND HOME FINANCE AGENCY

##### OFFICE OF THE ADMINISTRATOR

The committee recommends an increase of \$750,000, to provide a total amount of \$8,750,000 for salaries and expenses. The additional \$100,000 remaining in the budget estimate is now provided for under the funds for delegated functions of civil-defense activities.

The committee also recommends the deletion of the provision earmarking \$6,000,000 for administrative expenses of urban renewal programs. The committee agrees that provision should be made for the increased activity in the urban renewal program, but feels that the Administrator should have freedom to adjust his funds according to changing circumstances and workloads in all of his programs.

The limitation on funds for expenses of travel is recommended to be increased from \$400,000 to \$450,000, which is \$22,000 below the budget estimate.

#### URBAN PLANNING GRANTS

An increase of \$500,000 is recommended by the committee, to provide the full budget estimate of \$3,500,000 for matching grants to State, metropolitan, or regional planning agencies to help finance urban renewal plans for small cities and metropolitan and regional areas.

## FARM HOUSING RESEARCH

The committee recommends to be inserted in the bill the item for farm housing research, in the amount of \$100,000, to continue the program started last year with \$75,000 in the supplemental bill, to carry out the provisions of section 603 of the Housing Act of 1957 through grants for research, study, and analysis to be conducted by land-grant colleges.

In this connection, the committee believes that this phase of such research should be concluded within the amount recommended, and that any further research on this subject should be done within the funds appropriated to the Department of Agriculture.

## PUBLIC FACILITY LOANS

An increase of \$125,000 is recommended by the committee, to provide a total amount of \$525,000 for administrative expenses related to loans to local governmental units for essential public works facilities. The original estimate of \$550,000 was revised to \$750,000 for the purpose of providing for a higher level program under the direction of the President for an expansion of these activities.

## REVOLVING FUND, LIQUIDATING PROGRAMS

In agreeing with the House allowance of \$600,000, which is \$73,000 below the budget estimate, the committee recommends the deletion of obsolete language concerning contract costs on termination of contracts, and recommends the insertion of authorization for expenses necessary in the case of defaulted obligations to protect the interests of the Government.

## FEDERAL NATIONAL MORTGAGE ASSOCIATION

The committee recommends that the limitation for expenses of travel be increased from \$125,000 to the full budget estimate of \$150,000. The committee is advised that protection of the Government's interests would require the full amount.

## PUBLIC HOUSING ADMINISTRATION

An increase of \$322,000 is recommended by the committee, to provide a total amount of \$2,122,000 in the limitation on expenses not otherwise limited in the bill, the amount of the budget estimate for those activities so limited. The committee is advised that this amount is required in order to provide for adequate inspection of new projects and adequate maintenance of old projects.

## INTERSTATE COMMERCE COMMISSION

The committee recommends an increase of \$500,000, to provide a total amount of \$17,250,000 for salaries and expenses, which is \$250,000 below the budget estimate. The committee also recommends an increase from \$200 to \$400 in the limitation for newspapers, an increase from 27 to 37 in the authorization for purchase of passenger motor vehicles, and an increase from \$1,200,000 to \$1,250,000 in the limitation for expenses of travel.

The committee further recommends insertion in the bill of the authorization providing that \$225,000 shall be available for expenses necessary to carry out such defense mobilization functions as may be delegated pursuant to law. Consolidation of such items under defense mobilization has been deferred until the budget estimates for fiscal year 1960.

The committee questioned the Commissioners and the Managing Director regarding the operation of this office which was created pursuant to the Wolf report. At this time the committee does not recommend the abolition or downgrading of the position of Managing Director; it is obvious, however, that the lines of authority within the Commission are not clearly drawn, with the result that there is uncertainty as to whether bureau heads report to the Commissioners or to the Managing Director. The Commissioners are requested to study this problem and to take the necessary steps within their organization to develop positive and unmistakable patterns of authority, and to report on the matter at the hearings on the 1960 budget estimates.

#### NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

##### SALARIES AND EXPENSES

An increase of \$2,000,000 is recommended by the committee, to provide a total amount of \$80,100,000 for salaries and expenses, which is \$380,000 below the budget estimate.

The committee also recommends an increase from \$402,500 to \$422,500 in the limitation for expenses of travel, an increase from \$500,000 to \$1,500,000 in the limitation on contracts for the making of special investigations and reports, and an increase from 14 to 16 in the number of passenger motor vehicles authorized for purchase of which 14 shall be for replacement only.

##### CONSTRUCTION AND EQUIPMENT

The committee recommends an increase of \$3,220,000, to provide the full amount of the budget estimate of \$26,220,000 for construction and equipment. The committee is advised that the increase is needed in order to assure the provision of the research facilities as planned, without reduction of essential portions or deferment on a priority basis.

#### NATIONAL CAPITAL HOUSING AUTHORITY

The committee recommends the deletion of the item appropriating \$38,000 to the National Capital Housing Authority for the operation and maintenance of properties under title I of the District of Columbia Alley Dwelling Act. The committee is advised that under the provisions of section 507 of the Housing Act of 1950 the receipts from leases, sales, or other sources are made available to the authority for the same purpose, and are subject to approval by the Public Housing Administration of budgets for maintenance and operation of the properties administered. The committee believes it is better to follow the provisions of section 507 of the Housing Act of 1950, than to require the Authority to cover their receipts into the Treasury and

then to request appropriations for administrative expenses. In recommending this action, the committee expects the Authority to continue to operate at the same basic level presently provided.

#### NATIONAL SCIENCE FOUNDATION

An increase of \$25,000,000 is recommended by the committee, to provide the full amount of the budget estimate of \$140,000,000 for the programs of the National Science Foundation. The committee also recommends that the limitation on expenses of travel be increased from \$275,000 to the budget estimate of \$325,000.

In recommending this restoration, the committee believes it is better to leave the allocation of funds to the judgment of the Foundation in order that they may carry out a balanced program, than to attempt to select the programs or portions of programs to be accelerated or begun. Accordingly, the committee recommends the deletion of the provision earmarking \$30,250,000 for the program of supplementary training for high school science and mathematics teachers.

Included in the restoration are funds in the amount of \$10,300,000 for research facilities, including the Southern Hemisphere astrograph, university nuclear reactors, university computers and the solar research telescope, as well as additional amounts for biological research facilities, the radio astronomy observatory and the optical astronomy observatory.

In this connection, the optical astronomy observatory and the solar research telescope are to be constructed on Kitt Peak in Arizona, where the committee is advised that seeing conditions are unusually good. The optical astronomy observatory is part of a new departure in support of science by constructing facilities which are open to anyone and will be available to any university in the country, and the solar research telescope would be capable of producing an image of the sun twice as large as that produced by the Mount Wilson telescope and would remain a valuable research tool for years to come.

At the time funds were provided for the observatory, the location had not been selected, and only a nominal amount was included for on-site and for access roads. It now develops that a more adequate road is required, not only to assist in construction of the observatory and the placing of the telescope, but to make sure that these national facilities are open to anyone. The existing road up Kitt Peak is a difficult and almost impassable trail. The Bureau of Public Roads was requested to submit an estimate for a satisfactory road to negotiate the sharp rises from the desert to an elevation of 6,875 feet. They estimate a cost of \$1,890,000 to provide for an asphalt surfaced road extending for 3 miles through the valley and 10 miles up the mountain.

The committee, therefore, recommends that this road be provided within the funds available to the Foundation, and recommends a provision to be inserted in the bill for transferring \$1,890,000 for that purpose to the Bureau of Public Roads, Department of Commerce.

## SECURITIES AND EXCHANGE COMMISSION

An increase of \$300,000 is recommended by the committee, to provide the full budget estimate of \$7,100,000 for salaries and expenses of the Commission. The committee also recommends that the limitation for expenses of travel be increased from \$230,000 to the budget estimate of \$260,000.

## SELECTIVE SERVICE SYSTEM

In agreeing with the House allowance of \$27,500,000 for the Selective Service System, the committee believes it is desirable to allow the Administrator flexibility to handle unforeseen workloads that may develop and therefore recommends the deletion of the provision earmarking \$20,196,000 for the activities of local boards.

## VETERANS' ADMINISTRATION

## GENERAL OPERATING EXPENSES

An increase of \$2,082,000 is recommended by the committee, to provide the total budget estimate of \$149,582,000 for general operating expenses. The committee also recommends the deletion of the authorization for purchase of a passenger motor vehicle, since the committee is advised that the vehicle has been acquired from previous funds.

## MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

In addition to restoration of \$481,000 to provide the full budget estimate of \$21,481,000 for medical administration and miscellaneous operating expenses, the committee recommends the addition of \$6,800,000 to the medical research and training funds for use in the fields of cancer, arthritis, neurological diseases, blindness and eye diseases, artery diseases, mental illness, and diabetes. In view of the progress shown from funds added previously to medical research, the committee is convinced that such additional funds can be well and profitably used. The total amount provided is \$28,281,000.

The committee also recommends an increase in the earmarking of funds available for medical research from \$10,344,000 to \$17,144,000.

## INPATIENT CARE

The committee recommends an increase of \$1,802,000, as requested in the supplemental estimate, to provide a total amount of \$717,267,000 for inpatient care, which is \$8,365,000 over the budget estimate, in agreement with the House allowance. The committee also recommends that the number of average beneficiaries for which treatment is provided be reduced from 140,800 to 139,630.

The committee recommends the insertion in the bill of the language submitted in the supplemental estimate to require that reimbursements received for care and treatment of beneficiaries from non-Federal sources be credited to miscellaneous receipts of the Treasury, and that payments for such purpose from departments and agencies

of the Government be made either in advance or by reimbursement as may be agreed with the Administrator.

#### OUTPATIENT CARE

An increase is recommended by the committee of \$798,000, to provide the total budget estimate of \$75,798,000 for outpatient care.

#### MAINTENANCE AND OPERATION OF SUPPLY DEPOTS

The committee recommends an increase of \$110,000, to provide a total amount of \$2,110,000 for maintenance and operation of supply depots, which is \$26,000 below the budget estimate.

#### GRANTS TO THE REPUBLIC OF THE PHILIPPINES

An increase of \$250,000 is recommended by the committee, to provide the full budget estimate of \$1,250,000 for the medical care and treatment of certain veterans in the Philippines.

The committee also recommends inserting in the bill authorization for expending these funds in accordance with part D of title V of the Veterans Benefits Act of 1957, upon the enactment of H. R. 6908. Information concerning the status of that hospitalization is contained in the report on that bill (S. Rept. No. 1469).

#### CONSTRUCTION OF HOSPITAL AND DOMICILIARY FACILITIES

The committee agrees with the House allowance of \$10,000,000 over the budget estimate to accelerate the modernization and improvement program for existing hospitals and to make such other adjustments as are necessary in other projects, thereby providing the amount of \$19,145,000 for construction, to be added to the available balance of \$105,000,000.

The increase added by the House was mainly to cover construction costs of the Jackson and Nashville hospitals and to provide for acquisition of the Nashville site. The committee understands that in order to avoid delay in development of the Nashville hospital the Administration plans to proceed immediately with acquisition of this site from funds already available.

The committee recommends the addition of \$300,000, to provide a total amount of \$19,445,000 for construction. The increase is to build additional doctors' quarters at the Veterans' Administration hospital at Fargo, N. Dak.



## ADMINISTRATIVE EXPENSES

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authoriza- tions, 1958	Budget esti- mates, 1959	Recom- mended in House bill for 1959	Amount recommended by Senate committee	Increase (+) or decrease (-), Senate bill compared with—		
					Authoriza- tions, 1958	Budget esti- mates, 1959	House bill
Federal Home Loan Bank Board.....	\$1,250,000	\$1,600,000	\$1,600,000	\$1,600,000	+\$350,000		
Federal Savings and Loan Insurance Corporation.....	675,000	720,000	720,000	720,000	+45,000		
General Services Administration:							
Abaca fiber program.....	47,000	47,000	47,000	47,000			
Federal Facilities Corporation.....	50,000	50,000	25,000	40,000		-\$10,000	+\$15,000
Reconstruction Finance Corporation Liquidation Fund.....	800,000	54,000	42,500	54,000	-746,000		+11,500
Housing and Home Finance Agency:							
College housing loans.....	1,377,000	1,675,000	1,675,000	1,675,000	+298,000		
Public facility loans.....	400,000	1,750,000	400,000	525,000	+125,000	-225,000	+125,000
Revolving fund (liquidating programs).....	1,100,000	673,000	600,000	600,000	-500,000	-73,000	
Federal National Mortgage Association.....	4,750,000	4,750,000	4,750,000	4,750,000			
Federal Housing Administration.....	7,260,000	7,400,000	7,300,000	7,300,000	+40,000	-100,000	
Public Housing Administration.....	2,12,420,000	2,12,700,000	2,12,258,000	2,12,250,000	(-162,000)	(-442,000)	
Total, administrative expenses.....	17,709,000	17,719,000	17,159,500	17,311,000	-398,000	408,000	+151,500

<sup>1</sup> Including \$200,000 in S. Doc. 94.<sup>2</sup> Includes funds available by appropriation in title I, and by transfer from the revolving fund (liquidating programs) and is not included in totals to avoid duplication.

PERMANENT AND INDEFINITE ANNUAL APPROPRIATIONS

Object	Appropriations, 1958	Budget estimates, 1959	Increase (+) or decrease (-)
Federal Power Commission: Payments to States under Federal Power Act.....	\$40, 000	\$41, 000	+ \$1, 000
General Services Administration: Expenses, disposal of surplus real and related personal property.....	1, 000, 000	1, 000, 000	-----
Total, permanent and indefinite appropriations.....	1, 040, 000	1, 041, 000	+1, 000

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1958, AND ESTIMATES AND AMOUNTS RECOMMENDED  
IN THE BILL FOR 1959

Item	Appropriations, 1958	Budget estimates, 1959	Recom- mended in House bill for 1959	Amount rec- ommended by Senate committee	Increase (+) or decrease (-) Senate bill compared with—	
					Appropriations, 1958	Budget esti- mates, 1959
INDEPENDENT OFFICES						
CIVIL SERVICE COMMISSION						
Salaries and expenses.....	\$18,300,000	\$18,420,000	\$18,200,000	\$18,200,000	-\$100,000	-\$220,000
Investigations of United States citizens for employment by international organizations.....	491,800	383,000	350,000	350,000	-141,800	-33,000
Payment to civil service retirement and disability fund.....			589,000,000			-\$589,000,000
Annuity Panama Canal construction employees and Lighthouse Service widows.....	2,391,000	2,328,000	2,300,000	2,300,000	-91,000	-28,000
Administrative expenses, Federal Employees Life Insurance Fund.....	(123,800)	(123,800)	(123,800)	(123,800)		
Total, Civil Service Commission.....	21,182,800	21,131,000	609,850,000	20,850,000	-332,800	-281,000
FEDERAL CIVIL DEFENSE ADMINISTRATION						
Operations.....	17,000,000	122,315,000	18,250,000	21,915,000	+4,915,000	-400,000
Emergency supplies and equipment.....	3,300,000	18,000,000	18,000,000	18,000,000	+14,700,000	
Research and development.....	2,000,000	4,400,000	2,000,000	3,000,000	+1,000,000	-1,400,000
Federal contributions.....	17,000,000				-17,000,000	
Total, Federal Civil Defense Administration.....	39,300,000	44,715,000	38,250,000	42,915,000	+3,615,000	1,800,000
FUNDS APPROPRIATED TO THE PRESIDENT						
Disaster relief.....	25,000,000				-25,000,000	
FEDERAL COMMUNICATIONS COMMISSION						
Salaries and expenses.....	8,365,000	8,950,000	8,900,000	8,900,000	+535,000	-50,000

FEDERAL POWER COMMISSION	5,666,000	6,385,000	6,000,000	6,385,000	+719,000	-----	+385,000
Salaries and expenses.....							
FEDERAL TRADE COMMISSION	5,950,000	6,025,000	5,950,000	6,000,000	+50,000	-25,000	+50,000
Salaries and expenses.....							
GENERAL ACCOUNTING OFFICE	36,050,000	38,300,000	37,000,000	37,000,000	+950,000	-1,300,000	-----
Salaries and expenses.....							
GENERAL SERVICES ADMINISTRATION	132,689,000	138,500,000	133,039,000	138,089,000	+5,400,000	-411,000	+5,050,000
Operating expenses, Public Buildings Service.....							
Repair and improvement, federally owned buildings.....	65,000,000	50,000,000	75,000,000	75,000,000	+10,000,000	+25,000,000	-----
Sites and expenses, public buildings projects.....	20,000,000	20,000,000	38,000,000	39,915,000	+19,915,000	+19,915,000	+1,915,000
Construction, public buildings projects.....	2,125,000	-----	177,255,000	196,566,000	+194,441,000	+196,566,000	+19,311,000
Payments, public buildings purchase contracts.....	1,331,100	1,265,000	310,900	310,900	-1,020,200	-954,100	-----
Construction, United States Court of Claims and Federal Office Building, Washington, D. C.....	-----	1,200,000	-----	1,200,000	+1,200,000	-----	+1,200,000
Construction, United States Mission Building, New York, N. Y.....	-----	3,975,000	-----	3,975,000	+3,975,000	-----	+3,975,000
Hospital facilities in the District of Columbia.....	2,000,000	-----	-----	-----	-2,000,000	-----	-----
Operating expenses, Federal Supply Service.....	3,360,000	3,615,000	3,360,000	3,560,000	+200,000	-55,000	+200,000
Expenses, supply distribution.....	17,765,000	19,500,000	18,165,000	19,365,000	+1,600,000	-135,000	+1,200,000
General supply fund.....	12,500,000	15,000,000	-----	12,500,000	-----	-2,500,000	+12,500,000
Operating expenses, National Archives and Records Service.....	7,293,000	7,650,000	7,293,000	7,615,000	+322,000	-35,000	+322,000
Operating expenses, Transportation and Public Utilities Service.....	1,590,000	2,000,000	1,800,000	1,900,000	+310,000	-100,000	+100,000
Strategic and critical materials.....	-----	70,000,000	(*)	80,500,000	+80,500,000	+10,500,000	+80,500,000
Salaries and expenses, Office of Administrator.....	260,000	200,000	200,000	200,000	-60,000	-----	-----
Administrative operations fund (limitation).....	(10,530,000)	(11,100,000)	(10,700,000)	(11,586,000)	(+866,000)	(+866,000)	(+686,000)
Total, General Services Administration.....	265,913,100	332,905,000	454,422,900	580,695,900	+314,782,800	+247,790,900	+126,273,000

\* Including \$2,915,000 in S. Doc. 89 for consolidation of delegated functions.

\* And \$1,865,000 from proceeds of surplus personal property disposal.

\* And \$1,600,000 from proceeds of surplus personal property disposal.

\* Language.

## Comparative statement of appropriations for 1958, and estimates and amounts recommended in the bill for 1959—Continued

Item	Appropriations, 1958	Budget esti- mates, 1959	Recom- mended in House bill for 1959	Amount rec- ommended by Senate committee	Increase (+) or decrease (—) Senate bill compared with—		
					Appropriations, 1958	Budget esti- mates, 1959	House bill
HOUSING AND HOME FINANCE AGENCY							
Office of the Administrator:							
Salaries and expenses.....	\$7,380,000	\$8,850,000	\$8,000,000	\$8,750,000	+\$1,370,000	—\$100,000	+\$750,000
Urban planning grants.....	1,275,000	3,500,000	3,000,000	3,500,000	+2,225,000	-----	+500,000
Farm Housing Research.....	75,000	-----	-----	100,000	+25,000	+100,000	+100,000
Reserve of planned public works (payment to revolving fund).....	5,000,000	8,500,000	7,000,000	7,000,000	+2,000,000	—1,500,000	-----
Capital grants for slum clearance and urban renewal.....	-----	50,000,000	50,000,000	50,000,000	+50,000,000	-----	-----
Total, Office of the Administrator.....	13,730,000	70,850,000	68,000,000	69,350,000	+55,620,000	-----	+1,350,000
Public Housing Administration:							
Annual contributions.....	95,000,000	114,000,000	107,500,000	107,500,000	+12,500,000	—6,500,000	-----
Administrative expenses.....	11,440,000	12,200,000	11,800,000	11,800,000	+360,000	—400,000	-----
Total, Public Housing Administration.....	106,440,000	126,200,000	119,300,000	119,300,000	+12,860,000	—6,900,000	-----
Total, Housing and Home Finance Agency.....	120,170,000	197,050,000	187,300,000	188,650,000	+68,480,000	—8,400,000	+1,350,000
INTERSTATE COMMERCE COMMISSION							
Salaries and expenses.....	16,750,000	17,500,000	16,750,000	17,250,000	+500,000	—250,000	+500,000
NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS							
Salaries and expenses.....	74,720,000	80,480,000	78,100,000	80,100,000	+5,380,000	—380,000	+2,000,000
Construction and equipment.....	41,200,000	26,220,000	23,000,000	26,220,000	—14,980,000	-----	+3,220,000
Total, National Advisory Committee for Aeronautics.....	115,920,000	106,700,000	101,100,000	106,320,000	—9,600,000	—380,000	+5,220,000
NATIONAL CAPITAL HOUSING AUTHORITY							
Operation and maintenance of properties.....	38,000	45,500	38,000	-----	—38,000	—45,500	—38,000

NATIONAL SCIENCE FOUNDATION									
Salaries and expenses.....	49,750,000	140,000,000	115,000,000	140,000,000	+90,250,000	-----	-----	+25,000,000	-----
RENEGOTIATION BOARD									
Salaries and expenses.....	3,000,000	2,900,000	2,850,000	2,850,000	-150,000	-----	-50,000	-----	-----
SECURITIES AND EXCHANGE COMMISSION									
Salaries and expenses.....	6,700,000	7,100,000	6,800,000	7,100,000	+400,000	-----	-----	+300,000	-----
SELECTIVE SERVICE SYSTEM									
Salaries and expenses.....	27,000,000	28,000,000	27,500,000	27,500,000	+500,000	-----	-500,000	-----	-----
VETERANS' ADMINISTRATION									
General operating expenses.....	161,374,000	149,552,000	147,500,000	149,552,000	-11,792,000	-----	-----	+2,082,000	-----
Medical administration and miscellaneous operating expenses.....	21,763,400	21,481,000	21,000,000	28,281,000	+6,517,600	-----	+6,800,000	+7,281,000	-----
Inpatient care.....	6710,378,000	6708,902,000	715,465,000	717,267,000	+6,889,000	-----	+8,365,000	+1,802,000	-----
Outpatient care.....	79,000,000	75,798,000	75,000,000	75,798,000	-3,202,000	-----	-----	+798,000	-----
Maintenance and operation of supply depots.....	1,827,800	2,136,000	2,000,000	2,110,000	+282,200	-----	-26,000	+110,000	-----
Compensation and pensions.....	3,082,250,000	3,232,000,000	3,200,000,000	3,200,000,000	+117,750,000	-----	-32,000,000	-----	-----
Readjustment benefits.....	814,047,000	717,960,000	700,000,000	700,000,000	-114,047,000	-----	-17,960,000	-----	-----
Veterans insurance and indemnities.....	-----	51,100,000	51,100,000	51,100,000	+51,100,000	-----	-----	-----	-----
Grants to the Republic of the Philippines.....	1,579,802	1,250,000	1,000,000	1,250,000	-329,802	-----	-----	+250,000	-----
Construction of hospital and domiciliary facilities.....	42,500,000	9,145,000	19,145,000	19,445,000	-23,055,000	-----	+10,300,000	+300,000	-----
Major alterations, improvements, and repairs.....	2,028,000	-----	-----	-----	-2,028,000	-----	-----	-----	-----
Military and naval insurance.....	4,275,000	-----	-----	-----	-4,275,000	-----	-----	-----	-----
National service life insurance.....	7,600,000	-----	-----	-----	-7,600,000	-----	-----	-----	-----
Servicemen's indemnities.....	32,127,500	-----	-----	-----	-32,127,500	-----	-----	-----	-----
Service-disabled veterans insurance fund.....	1,500,000	-----	-----	-----	-1,500,000	-----	-----	-----	-----
Total, Veterans Administration.....	4,962,250,502	4,969,354,000	4,932,210,000	4,944,833,000	-17,417,502	-----	-24,521,000	+12,623,000	-----
Total, title I.....	5,709,005,402	5,927,060,500	6,549,920,900	6,137,248,900	+428,243,498	-----	+210,188,400	-412,672,000	-----

\* And in addition \$6,656,000 from reimbursements.

\* Including \$1,802,000 in S. Doc. 94.



Calendar No. 1687

85<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 11574

[Report No. 1656]

---

IN THE SENATE OF THE UNITED STATES

MARCH 31, 1958

Read twice and referred to the Committee on Appropriations

JUNE 5 (legislative day, JUNE 4), 1958

Reported by Mr. MAGNUSON, with amendments

[Omit the part struck through and insert the part printed in italic]

---

## AN ACT

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*  
3       That the following sums are appropriated, out of any money  
4       in the Treasury not otherwise appropriated, for sundry  
5       independent executive bureaus, boards, commissions, cor-  
6       porations, agencies, and offices, for the fiscal year ending  
7       June 30, 1959, namely:

## TITLE I—INDEPENDENT OFFICES

## CIVIL SERVICE COMMISSION

## SALARIES AND EXPENSES

For necessary expenses, including not to exceed \$22,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to exceed \$10,000 for medical examinations performed for veterans by private physicians on a fee basis; not to exceed \$100 for the purchase of newspapers and periodicals (excluding scientific, technical, trade or traffic periodicals, for official use) ; payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; not to exceed \$70,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767) ; reimbursement of the General Services Administration for security guard services for protection of confidential files; not to exceed \$472,000 for expenses of travel; and not to exceed \$5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; \$18,200,000.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order 9358 of July 1, 1943.

1 INVESTIGATION OF UNITED STATES CITIZENS FOR EM-  
2 PLOYMENT BY INTERNATIONAL ORGANIZATIONS

3 For expenses necessary to carry out the provisions of  
4 Executive Order No. 10422 of January 9, 1953, as amended,  
5 prescribing procedures for making available to the Secretary  
6 General of the United Nations, and the executive heads of  
7 other international organizations, certain information con-  
8 cerning United States citizens employed, or being considered  
9 for employment by such organizations, including services as  
10 authorized by section 15 of the Act of August 2, 1946  
11 (5 U. S. C. 55a), \$350,000: *Provided*, That this appro-  
12 priation shall be available for advances or reimbursements  
13 to the applicable appropriations or funds of the Civil Service  
14 Commission and the Federal Bureau of Investigation for  
15 expenses incurred by such agencies under said Executive  
16 order: *Provided further*, That members of the International  
17 Organizations Employees Loyalty Board may be paid actual  
18 transportation expenses, and per diem in lieu of subsistence  
19 authorized by the Travel Expense Act of 1949, as amended,  
20 while traveling on official business away from their homes or  
21 regular places of business, including periods while en route  
22 to and from and at the place where their services are to be  
23 performed: *Provided further*, That nothing in sections 281 or  
24 283 of title 18, United States Code, or in section 190 of the  
25 Revised Statutes (5 U. S. C. 99) shall be deemed to apply

1 to any person because of appointment for part-time or inter-  
2 mittent service as a member of the International Organiza-  
3 tions Employees Loyalty Board in the Civil Service Com-  
4 mission as established by Executive Order 10422, dated  
5 January 9, 1953, as amended.

6 PAYMENT TO CIVIL SERVICE RETIREMENT AND DIS-  
7 ABILITY FUND

8 For financing the liability of the United States, created  
9 by the Act approved May 22, 1920, and Acts amendatory  
10 thereof (~~5 U. S. C., ch. 30~~), \$589,000,000, which amount  
11 shall be placed to the credit of the civil-service retirement  
12 and disability fund: *Provided*, That no part of the appropria-  
13 tions herein made and no part of the moneys now or here-  
14 after contained in the civil-service retirement and disability  
15 fund shall be applied toward the payment of any increase  
16 in annuity benefits or any new annuity benefits under the  
17 Act approved May 22, 1920, and Acts amendatory thereof  
18 (~~5 U. S. C., ch. 30~~) which may be authorized by amend-  
19 ment to said Acts after the enactment of this Act until and  
20 unless an appropriation is made to such fund in an amount  
21 estimated by the Civil Service Commission to be sufficient  
22 to prevent an immediate increase in the unfunded accrued  
23 liability of said fund.

1 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES  
2 AND LIGHTHOUSE SERVICE WIDOWS

3 For payment of annuities authorized by the Act of  
4 May 29, 1944, as amended (48 U. S. C. 1373a), and the  
5 Act of August 19, 1950 (64 Stat. 465), \$2,300,000.

6 LIMITATION ON ADMINISTRATIVE EXPENSES, EM-  
7 PLOYEES' LIFE INSURANCE FUND

8 Not to exceed \$123,800 of the funds in the "Employees'  
9 Life Insurance Fund" shall be available for reimbursement  
10 to the Civil Service Commission for administrative expenses  
11 incurred by the Commission during the current fiscal year  
12 in the administration of the Federal Employees' Group Life  
13 Insurance Act.

14 FEDERAL CIVIL DEFENSE ADMINISTRATION  
15 OPERATIONS

16 For necessary expenses, not otherwise provided for,  
17 in carrying out the provisions of the Federal Civil De-  
18 fense Act of 1950, as amended (50 U. S. C., App. 2251-  
19 2297), including services as authorized by section 15 of  
20 the Act of August 2, 1946 (5 U. S. C. 55a); reim-  
21 bursement of the Civil Service Commission for full field  
22 investigations of employees occupying positions of critical  
23 importance from the standpoint of national security; ex-

1 penses of attendance at meetings concerned with civil defense  
 2 functions; reimbursement of the General Services Adminis-  
 3 tration for security guard services; not to exceed ~~\$6,000~~  
 4 ~~\$10,000~~ for the purchase of newspapers, periodicals, and  
 5 teletype news services; not to exceed ~~\$815,000~~ ~~\$1,050,000~~  
 6 for expenses of travel; and not to exceed \$6,000 for emer-  
 7 gency and extraordinary expenses to be expended under the  
 8 direction of the Administrator for such purposes as he deems  
 9 proper, and his determination thereon shall be final and  
 10 conclusive; ~~\$18,250,000~~ ~~\$21,915,000~~: *Provided, That*  
 11 ~~\$250,000~~ ~~\$2,915,000~~ of the foregoing amount shall be avail-  
 12 able to discharge civil defense responsibilities delegated to  
 13 other Federal agencies under the authority of section 201  
 14 (b) of the Federal Civil Defense Act of 1950, as amended.

#### 15 EMERGENCY SUPPLIES AND EQUIPMENT

16 For expenses necessary for warehousing and mainte-  
 17 nance of emergency civil defense materials as authorized by  
 18 subsection (h) of section 201 of the Federal Civil Defense  
 19 Act of 1950, as amended, \$18,000,000.

#### 20 RESEARCH AND DEVELOPMENT

21 For expenses, not otherwise provided for, necessary for  
 22 studies and research to develop measures and plans for  
 23 evacuation, shelter, and the protection of life and property,  
 24 as authorized by section 201 (d) of the Federal Civil De-  
 25 fense Act of 1950, as amended, including services as au-

1 thorized by section 15 of the Act of August 2, 1946 (5  
2 U. S. C. 55a), ~~\$2,000,000~~ \$3,000,000, to remain available  
3 until expended.

4 No part of any appropriation in this Act shall be avail-  
5 able for the construction of warehouses or for the lease of  
6 warehouse space in any building which is to be constructed  
7 specifically for the use of the Federal Civil Defense Adminis-  
8 tration.

## 9 FEDERAL COMMUNICATIONS COMMISSION

### 10 SALARIES AND EXPENSES

11 For necessary expenses in performing the duties of the  
12 Commission as authorized by law, including newspapers  
13 (not to exceed \$200), land and structures (not to exceed  
14 \$120,000), special counsel fees, improvement and care of  
15 grounds and repairs to buildings (not to exceed \$15,400),  
16 services as authorized by section 15 of the Act of August  
17 2, 1946 (5 U. S. C. 55a), purchase of not to exceed three  
18 passenger motor vehicles for replacement only, and not to  
19 exceed \$107,470 for expenses of travel, \$8,900,000.

## 20 FEDERAL POWER COMMISSION

### 21 SALARIES AND EXPENSES

22 For expenses necessary for the work of the Commission,  
23 as authorized by law, including not to exceed ~~\$350,000~~  
24 \$400,000 for expenses of travel; hire of passenger motor  
25 vehicles; and not to exceed \$500 for newspapers;

1 ~~\$6,000,000~~ \$6,385,000, of which not to exceed \$10,000  
 2 shall be available for special counsel and services as author-  
 3 ized by section 15 of the Act of August 2, 1946 (5 U. S. C.  
 4 55a), but at rates not exceeding \$50 per diem for individ-  
 5 uals: ~~Provided, That not to exceed \$307,400 shall be avail-~~  
 6 ~~able for investigations relating to Federal river development~~  
 7 ~~projects.~~

## 8 FEDERAL TRADE COMMISSION

### 9 SALARIES AND EXPENSES

10 For necessary expenses of the Federal Trade Commis-  
 11 sion, including uniforms or allowances therefor, as authorized  
 12 by law (5 U. S. C. 2131), not to exceed \$700 for news-  
 13 papers, services as authorized by section 15 of the Act of  
 14 August 2, 1946 (5 U. S. C. 55a), and not to exceed  
 15 ~~\$251,250~~ \$259,250 for expenses of travel, ~~\$5,950,000~~  
 16 \$6,000,000: *Provided, That no part of the foregoing appro-*  
 17 *priation shall be expended upon any investigation hereafter*  
 18 *provided by concurrent resolution of the Congress until funds*  
 19 *are appropriated subsequently to the enactment of such*  
 20 *resolution to finance the cost of such investigation.*

## 21 GENERAL ACCOUNTING OFFICE

### 22 SALARIES AND EXPENSES

23 For necessary expenses of the General Accounting Of-  
 24 fice, including newspapers and periodicals (not exceeding

1 \$500) ; rental or lease of office space in foreign countries  
 2 without regard to the provisions of section 3648 of the  
 3 Revised Statutes, as amended (31 U. S. C. 529) ; not to  
 4 exceed \$2,000,000 for expenses of travel; and services as  
 5 authorized by section 15 the Act of August 2, 1946 (5  
 6 U. S. C. 55a) ; \$37,000,000.

## 7 GENERAL SERVICES ADMINISTRATION

### 8 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

9 For necessary expenses of real property management  
 10 and related activities as provided by law ; furnishings and equip-  
 11 ment ; rental of buildings in the District of Columbia ; restora-  
 12 tion of leased premises ; moving Government agencies (includ-  
 13 ing space adjustments) in connection with the assignment, allo-  
 14 cation, and transfer of building space ; acquisition by pur-  
 15 chase or otherwise and disposal by sale or otherwise of real  
 16 estate and interests therein ; payments in lieu of taxes pur-  
 17 suant to the Act of August 12, 1955 (40 U. S. C. 521) ;  
 18 and not to exceed ~~\$222,000~~ \$272,000 for expenses of travel ;  
 19 ~~\$133,039,000~~ \$138,089,000 : *Provided*, That this appropria-  
 20 tion shall be available, without regard to section 322 of the  
 21 Act of June 30, 1932, as amended (40 U. S. C. 278a) , with  
 22 respect to buildings or parts thereof, heretofore leased under  
 23 the appropriation for "Emergency operating expenses".

1

3

## 15

16

17

18

19

20

21

22

23

24

25

tive expenses; and for preliminary planning of public  
 buildings projects; ~~\$38,000,000~~ \$39,915,000, to remain  
 available until expended, and not to exceed \$500,000  
 of this amount shall be available for construction of  
 small public buildings projects outside the District of  
 Columbia pursuant to the Public Buildings Act of May 25,  
 1926, as amended (40 U. S. C. 341) : *Provided*, That any  
 unexpended balances of funds heretofore appropriated to  
 the General Services Administration for sites and expenses  
 or sites and planning shall be available for the purposes  
 hereinabove set forth and may be consolidated with this  
 appropriation: ~~*Provided further*, That no part of such funds~~  
~~shall be used during the current fiscal year for preparation~~  
~~of drawings and specifications, acquisition of sites, design,~~  
~~planning, construction, or in any other manner for or in~~  
~~connection with proposed Federal office building numbered~~  
~~7 on square 167 in the District of Columbia (project num-~~  
~~bered 3-DC-05, General Services Administration prospectus~~  
~~submitted July 13, 1956):~~ *Provided further*, That not to  
 exceed \$130,000 of such funds may be deposited to the Ad-  
 ministrative Operations Fund in addition to the amount in-  
 cluded in the budget estimates for that purpose.

## CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

For construction of public buildings projects outside the  
 District of Columbia pursuant to the Public Buildings Act

1 of May 25, 1926, as amended (40 U. S. C. 341),  
2 ~~\$177,255,000~~ \$196,566,000, to remain available until ex-  
3 pended, ~~of which amount not to exceed \$700,000~~ shall be  
4 available for site and construction costs for the project at  
5 Milledgeville, Georgia.

6 PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS

7 For payments of principal, interest, taxes, and any other  
8 obligations under contracts entered into pursuant to the Pub-  
9 lic Buildings Purchase Contract Act of 1954 (40 U. S. C.  
10 356), \$310,900: ~~Provided~~, That hereafter no part of any  
11 funds in this or any other Act shall be used for payment for  
12 sites, planning or construction of any buildings by lease-  
13 purchase contracts except buildings used solely for post  
14 office purposes: *Provided*, That hereafter, except for projects  
15 located at Atlanta, Georgia; Rock Island, Illinois; Council  
16 Bluffs, Iowa; Kansas City, Kansas; Burlington, Iowa;  
17 Albuquerque, New Mexico; and Sacramento, California, no  
18 part of any funds in this or any other Act shall be used for  
19 payment for sites, planning or construction of any buildings by  
20 lease-purchase contracts: *Provided further*, That the Admin-  
21 istrator of General Services may enter into a ten-year contract  
22 for the project at Sacramento, California, during the fiscal  
23 year 1959, for which the annual payment for amortization  
24 of principal and interest thereon shall not exceed \$1,250,600.

1 CONSTRUCTION, UNITED STATES COURT OF CLAIMS AND  
2 FEDERAL OFFICE BUILDING, WASHINGTON, DISTRICT  
3 OF COLUMBIA

4 *For expenses necessary for preparation of plans and*  
5 *specifications for a building in Washington, District of*  
6 *Columbia, for use of the United States Court of Claims,*  
7 *and agencies of the executive branch of the Government,*  
8 *pursuant to the provisions of the Public Buildings Act of*  
9 *May 25, 1926, as amended (40 U. S. C. 341), \$1,200,000,*  
10 *to remain available until expended.*

11 CONSTRUCTION, UNITED STATES MISSION BUILDING, NEW  
12 YORK, NEW YORK

13 *For construction of a building in New York, New York,*  
14 *for use as the headquarters of the United States Mission*  
15 *to the United Nations, pursuant to the provisions of the*  
16 *Public Buildings Act of May 25, 1926, as amended (40*  
17 *U. S. C. 341), \$3,975,000, to remain available until*  
18 *expended.*

19 OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

20 *For necessary expenses of personal property manage-*  
21 *ment and related activities as authorized by law and not*  
22 *otherwise provided for; including not to exceed \$300 for*  
23 *the purchase of newspapers and periodicals; and not to*  
24 *exceed \$85,700 for expenses of travel; ~~\$3,360,000~~ \$3,560,-*

1 000: *Provided*, That *not* to exceed \$1,865,000 of any funds  
 2 received during the current or preceding fiscal year for deposit  
 3 under section 204 (a) of the Federal Property and Adminis-  
 4 trative Services Act of 1949, as amended, and not otherwise  
 5 disposed of by law, shall be deposited to the credit of this  
 6 appropriation and shall be available for necessary expenses  
 7 in carrying out the functions of the General Services Admin-  
 8 istration under the said Act, with respect to the utilization  
 9 and disposal of excess and surplus personal property, in-  
 10 cluding not to exceed \$145,000 for expenses of travel.

#### 11 EXPENSES, SUPPLY DISTRIBUTION

12 For expenses, not otherwise provided, necessary for  
 13 operation of the stores depot system and other procurement  
 14 services, including contractual services incident to receiving,  
 15 handling, and shipping warehouse items; not to exceed \$250  
 16 for purchase of newspapers and periodicals; and not to ex-  
 17 ceed ~~\$120,000~~ \$145,000 for expenses of travel; ~~\$18,165,000~~  
 18 \$19,365,000.

#### 19 GENERAL SUPPLY FUND

20 *To increase the general supply fund established by the*  
 21 *Federal Property and Administrative Services Act of 1949,*  
 22 *as amended (5 U. S. C. 630g), \$12,500,000, to be im-*  
 23 *mediately available.*

## 1 OPERATING EXPENSES, NATIONAL ARCHIVES AND

### 2 RECORDS SERVICE

3 For necessary expenses in connection with Federal  
4 records management and related activities as provided by  
5 law; and not to exceed ~~\$50,000~~ \$59,000 for expenses of  
6 travel; ~~\$7,293,000~~ \$7,615,000.

## 7 OPERATING EXPENSES, TRANSPORTATION AND PUBLIC

### 8 UTILITIES SERVICE

9 For necessary expenses of transportation and public  
10 utilities management and related activities, as provided by  
11 law, including not to exceed ~~\$60,000~~ \$65,500 for expenses  
12 of travel; and services as authorized by section 15 of the  
13 Act of August 2, 1946 (5 U. S. C. 55a), at rates not to  
14 exceed \$75 per diem for individuals; ~~\$1,800,000~~ \$1,900,000.

## 15 STRATEGIC AND CRITICAL MATERIALS

16 Funds available for carrying out the provisions of the  
17 Strategic and Critical Materials Stock Piling Act of July  
18 23, 1946, during the current fiscal year shall be available for

19 *For necessary expenses in carrying out the provisions*  
20 *of the Strategic and Critical Materials Stock Piling Act of*  
21 *July 23, 1946, including services as authorized by section 15*  
22 *of the Act of August 2, 1946 (5 U. S. C. 55a), not to ex-*  
23 *ceed* ~~\$3,324,000~~ \$3,400,000 for operating expenses, not to

1 exceed ~~\$86,000~~ \$106,000 for expenses of travel, and neces-  
2 sary expenses for transportation and handling, within the  
3 United States (including charges at United States ports),  
4 storage, security, and maintenance of strategic and critical  
5 materials acquired for or transferred to the supplemental  
6 stockpile established pursuant to section 104 (b) of the  
7 Agricultural Trade Development and Assistance Act of 1954  
8 (7 U. S. C. 1704 (b) ) \$80,500,000, to remain available  
9 until expended: *Provided*, That any funds received as pro-  
10 ceeds from sale or other disposition of materials on account  
11 of the rotation of stocks under said Act shall be deposited  
12 to the credit, and be available for expenditure for the pur-  
13 poses, of this appropriation: *Provided further*, That, during  
14 the current fiscal year, there shall be no limitation on the  
15 value of surplus strategic and critical materials which, in  
16 accordance with subsection 6 (a) of the Act of July 23,  
17 1946 (50 U. S. C. 98e (a) ), may be transferred to stock-  
18 piles established in accordance with said Act: *Provided*  
19 *further*, That no part of funds available shall be used for  
20 construction of warehouses or tank storage facilities.

21 SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR

22 For expenses of executive direction for activities under the  
23 control of the General Services Administration, including  
24 not to exceed \$7,000 for expenses of travel, and not to exceed  
25 \$250 for purchase of newspapers and periodicals; \$200,000.

## ADMINISTRATIVE OPERATIONS FUND

Funds available to General Services Administration for administrative operations, in support of program activities, shall be expended and accounted for, as a whole, through a single fund, which is hereby authorized: *Provided*, That costs and obligations for such administrative operations for the respective program activities shall be accounted for in accordance with systems approved by the General Accounting Office: *Provided further*, That the total amount deposited into said account for the fiscal year 1959 from funds made available to General Services Administration in this Act shall not exceed ~~\$10,700,-~~ ~~000~~ \$11,386,000, of which not to exceed ~~\$170,000~~ \$198,000 may be used for travel expenses: *Provided further*, That amounts deposited into said account for administrative operations for each program shall not exceed the amounts included in the respective program appropriations for such purposes.

The appropriate appropriation or fund available to the General Services Administration shall be credited with (1) cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U. S. C. 129) ; (2) reimbursements for services performed in respect to bonds and other obligations under the jurisdiction of the General Services Administration, issued by public authorities,

1 States, or other public bodies, and such services in respect  
2 to such bonds or obligations as the Administrator deems nec-  
3 essary and in the public interest may, upon the request and  
4 at the expense of the issuing agencies, be provided from the  
5 appropriate foregoing appropriation; and (3) appropria-  
6 tions or funds available to other agencies, and transferred  
7 to the General Services Administration, in connection with  
8 property transferred to the General Services Administration  
9 pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff),  
10 and such appropriations or funds may, with the approval of  
11 the Bureau of the Budget, be so transferred.

12 Funds available to the General Services Administration  
13 shall be available for the hire of passenger motor vehicles.

14 No part of any money appropriated by this or any other  
15 Act for any agency of the executive branch of the Govern-  
16 ment shall be used during the current fiscal year for the pur-  
17 chase within the continental limits of the United States of any  
18 typewriting machines except in accordance with regulations  
19 issued pursuant to the provisions of the Federal Property  
20 and Administrative Services Act of 1949, as amended.

21 Not to exceed 2 per centum of any appropriation made  
22 available to the General Services Administration for the cur-  
23 rent fiscal year by this Act may be transferred to any other  
24 such appropriation, but no such appropriation shall be there-  
25 by increased more than 2 per centum: *Provided*, That such

1 transfers shall apply only to operating expenses, and shall  
2 not exceed in the aggregate the amount of \$2,000,000.

3 HOUSING AND HOME FINANCE AGENCY

4 OFFICE OF THE ADMINISTRATOR

5 SALARIES AND EXPENSES

6 For necessary expenses of the Office of the Administra-  
7 tor, including rent in the District of Columbia; services as  
8 authorized by section 15 of the Act of August 2, 1946  
9 (5 U. S. C. 55a) ; not to exceed ~~\$400,000~~ \$450,000 for ex-  
10 penses of travel; and expenses of attendance at meetings of  
11 organizations concerned with the work of the Agency;  
12 ~~\$8,000,000~~ \$8,750,000: *Provided*, That of the foregoing  
13 ~~amount \$6,000,000~~ shall be available for administrative ex-  
14 ~~penses of urban renewal programs: *Provided further*, That~~  
15 necessary expenses of inspections and of providing represent-  
16 atives at the site of projects being planned or undertaken by  
17 local public agencies pursuant to title I of the Housing Act of  
18 1949, as amended, projects financed through loans to educa-  
19 tional institutions authorized by title IV of the Housing Act  
20 of 1950, as amended, and projects and facilities financed by  
21 loans to public agencies pursuant to title II of the Housing  
22 Amendments of 1955, as amended, shall be compensated by  
23 such agencies or institutions by the payment of fixed fees  
24 which in the aggregate will cover the costs of rendering such  
25 services, and expenses for such purpose shall be considered

1 nonadministrative; and for the purpose of providing such in-  
 2 spections, the Administrator may utilize any agency and such  
 3 agency may accept reimbursement or payment for such serv-  
 4 ices from such institutions, or the Administrator, and shall  
 5 credit such amounts to the appropriations or funds against  
 6 which such charges have been made, but such nonadministra-  
 7 tive expenses shall not exceed \$2,500,000.

#### 8 URBAN PLANNING GRANTS

9 For grants in accordance with the provisions of section  
 10 701 of the Housing Act of 1954, as amended, ~~\$3,000,000~~  
 11 \$3,500,000.

#### 12 FARM HOUSING RESEARCH

13 *To carry out the provisions of section 603 of the Hous-*  
 14 *ing Act of 1957 for farm housing research to be con-*  
 15 *ducted by land-grant colleges through grants for research,*  
 16 *study, and anaylsis, \$100,000.*

#### 17 RESERVE OF PLANNED PUBLIC WORKS (PAYMENT TO 18 REVOLVING FUND)

19 For payment to the revolving fund established pursuant  
 20 to section 702 of the Housing Act of 1954, as amended  
 21 (40 U. S. C. 462), \$7,000,000.

#### 22 CAPITAL GRANTS FOR SLUM CLEARANCE AND URBAN 23 RENEWAL

24 For an additional amount for payment of capital grants  
 25 as authorized by title I of the Housing Act of 1949, as  
 26 amended (42 U. S. C. 1453, 1456), \$50,000,000.

## PUBLIC HOUSING ADMINISTRATION

## ANNUAL CONTRIBUTIONS

For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), \$107,500,000.

## ADMINISTRATIVE EXPENSES

For administrative expenses of the Public Housing Administration, \$11,800,000, to be expended under the authorization for such expenses contained in title II of this Act.

## INTERSTATE COMMERCE COMMISSION

## SALARIES AND EXPENSES

For necessary expenses of the Interstate Commerce Commission, including not to exceed \$5,000 for the employment of special counsel; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; newspapers (not to exceed ~~\$200~~ \$400); purchase of not to exceed ~~twenty-seven~~ *thirty-seven* passenger motor vehicles of which fourteen shall be for replacement only; and not to exceed ~~\$1,200,000~~ \$1,250,000 for expenses of travel; ~~\$16,750,000~~ \$17,250,000, of which (a) not less than \$1,405,100 shall be available for expenses necessary to carry out railroad safety activities and not less than \$966,300 shall be available for expenses necessary to carry out locomotive inspection activities;

1 (b) \$225,000 shall be available for expenses necessary to  
 2 carry out such defense mobilization functions as may be dele-  
 3 gated pursuant to law: *Provided*, That Joint Board mem-  
 4 bers and cooperating State commissioners may use Govern-  
 5 ment transportation requests when traveling in connection  
 6 with their duties as such.

## 7 NATIONAL ADVISORY COMMITTEE FOR 8 AERONAUTICS

### 9 SALARIES AND EXPENSES

10 For necessary expenses of the Committee, including  
 11 contracts for the making of special investigations and reports  
 12 (not to exceed ~~\$500,000~~ \$1,500,000) and for engineering,  
 13 drafting, and computing services; not to exceed ~~\$402,500~~  
 14 \$422,500 for expenses of travel; maintenance and operation  
 15 of aircraft; ~~purchase of fourteen passenger motor vehicles for~~  
 16 ~~replacement only~~ *purchase of sixteen passenger motor ve-*  
 17 *hicles, of which fourteen shall be for replacement only;*  
 18 not to exceed \$100 for newspapers and periodicals; uni-  
 19 forms or allowances therefor, as authorized by the Act of  
 20 September 1, 1954 (68 Stat. 1114), as amended; and serv-  
 21 ices as authorized by section 15 of the Act of August 2,  
 22 1946 (5 U. S. C. 55a); ~~\$78,100,000~~ \$80,100,000.

### 23 CONSTRUCTION AND EQUIPMENT

24 For construction and equipment at laboratories and  
 25 research stations of the Committee, ~~\$23,000,000~~ \$26,220,-  
 26 000, to remain available until expended.

# NATIONAL CAPITAL HOUSING AUTHORITY

## OPERATION AND MAINTENANCE OF PROPERTIES

For the operation and maintenance of properties under title I of the District of Columbia Alley Dwelling Act, \$38,000: *Provided*, That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly: *Provided further*, That so long as funds are available from appropriations for the foregoing purposes, the provisions of section 507 of the Housing Act of 1950 (Public Law 475, Eighty-first Congress), shall not be effective.

## NATIONAL SCIENCE FOUNDATION

### SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950, as amended (42 U. S. C. 1861-1875), including award of graduate fellowships; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; hire of passenger motor vehicles; not to exceed ~~\$275,000~~ \$325,000 for expenses of travel; not to exceed \$350 for the purchase of newspapers and periodicals; and reimbursement of the General Services Administration for security guard services; ~~\$115,000,000~~ \$140,000,000, to remain available until expended, of which \$1,890,000 shall be transferred to the Bureau of Public

1 *Roads, Department of Commerce, for construction of a sec-*  
 2 *ondary road to the Optical Astronomy Observatory on Kitt*  
 3 *Peak in Arizona:—Provided, That of the foregoing amount*  
 4 *not less than \$30,250,000 shall be available for tuition,*  
 5 *grants, and allowances in connection with a program of sup-*  
 6 *plementary training for high school science and mathematics*  
 7 *teachers.*

## 8 RENEGOTIATION BOARD

### 9 SALARIES AND EXPENSES

10 For necessary expenses of the Renegotiation Board,  
 11 including expenses of attendance at meetings concerned with  
 12 the purposes of this appropriation; hire of passenger motor  
 13 vehicles; not to exceed \$40,000 for expenses of travel; and  
 14 services as authorized by section 15 of the Act of August 2,  
 15 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem  
 16 for individuals; \$2,850,000.

## 17 SECURITIES AND EXCHANGE COMMISSION

### 18 SALARIES AND EXPENSES

19 For necessary expenses, including not to exceed \$1,125  
 20 for the purchase of newspapers; not to exceed ~~\$230,000~~  
 21 ~~\$260,000~~ for expenses of travel; uniforms or allowances  
 22 therefor, as authorized by law (5 U. S. C. 2131); and  
 23 services as authorized by section 15 of the Act of August 2,  
 24 1946 (5 U. S. C. 55a); ~~\$6,800,000~~ \$7,100,000.

## 1 SELECTIVE SERVICE SYSTEM

## 2 SALARIES AND EXPENSES

3 For expenses necessary for the operation and main-  
4 tenance of the Selective Service System, as authorized by  
5 title I of the Universal Military Training and Service Act  
6 (62 Stat. 604), as amended, including services as authorized  
7 by section 15 of the Act of August 2, 1946 (5 U. S. C.  
8 55a); travel expenses; not to exceed \$250 for the pur-  
9 chase of newspapers and periodicals; not to exceed \$72,000  
10 for the National Selective Service Appeal Board; and  
11 \$19,000 for the National Advisory Committee on the  
12 Selection of Physicians, Dentists, and Allied Specialists;  
13 \$27,500,000: *Provided, That of the foregoing amount*  
14 ~~\$20,196,000 shall be available for registration, classification,~~  
15 ~~and induction activities of local boards: *Provided further,*~~  
16 *That during the current fiscal year, the President may ex-*  
17 *empt this appropriation from the provisions of subsection (c)*  
18 *of section 3679 of the Revised Statutes, as amended, when-*  
19 *ever he deems such action to be necessary in the interest of*  
20 *national defense.*

21 Appropriations for the Selective Service System may  
22 hereafter be used for the destruction of records accumulated  
23 under the Selective Training and Service Act of 1940, as  
24 amended, by the Director of Selective Service after compli-

1   ance with the procedures for the destruction of records pre-  
 2   scribed pursuant to the Records Disposal Act of 1943, as  
 3   amended (44 U. S. C. 366-380) : *Provided*, That no records  
 4   may be transferred to any other agency without the approval  
 5   of the Director of Selective Service.

## 6                   VETERANS ADMINISTRATION

### 7                   GENERAL OPERATING EXPENSES

8       For necessary operating expenses of the Veterans Ad-  
 9   ministration, not otherwise provided for, including expenses  
 10   incidental to securing employment for war veterans; uniforms  
 11   or allowances therefor, as authorized by law; ~~purchase of~~  
 12   ~~one passenger motor vehicle for replacement only at not~~  
 13   ~~to exceed \$4,000;~~ not to exceed \$3,500 for newspapers and  
 14   periodicals; not to exceed \$45,000 for preparation, shipment,  
 15   installation, and display of exhibits, photographic displays,  
 16   moving pictures, and other visual education information and  
 17   descriptive material, including purchase or rental of equip-  
 18   ment; and not to exceed \$2,700,000 for expenses of travel  
 19   of employees; ~~\$147,500,000~~ \$149,582,000: *Provided*, That  
 20   no part of this appropriation shall be used to pay in excess of  
 21   twenty-two persons engaged in public relations work: *Pro-*  
 22   *vided further*, That no part of this appropriation shall be used  
 23   to pay educational institutions for reports and certifications of  
 24   attendance at such institutions an allowance at a rate in  
 25   excess of \$1 per month for each eligible veteran enrolled in  
 26   and attending such institution.

## 1 MEDICAL ADMINISTRATION AND MISCELLANEOUS

## 2 OPERATING EXPENSES

3 For expenses necessary for administration of the medical,  
4 hospital, domiciliary, special service, construction and supply,  
5 research, and employee education and training activities;  
6 expenses necessary for carrying out programs of medical re-  
7 search and of education and training of employees, as au-  
8 thorized by law; not to exceed \$1,100,000 for expenses of  
9 travel of employees paid from this appropriation, and those  
10 engaged in training programs; and not to exceed \$2,700 for  
11 newspapers and periodicals; ~~\$21,000,000~~ \$28,281,000, of  
12 which ~~\$10,344,000~~ \$17,144,000 shall be available for medi-  
13 cal research: *Provided*, That \$1,000,000 of the foregoing  
14 appropriation shall remain available until expended for pros-  
15 thetic testing and development.

## 16 INPATIENT CARE

17 For expenses necessary for the maintenance and opera-  
18 tion of hospitals and domiciliary facilities and for the care  
19 and treatment of beneficiaries of the Veterans Administra-  
20 tion in facilities not under the jurisdiction of the Veterans  
21 Administration as authorized by law, including the furnishing  
22 of recreational articles and facilities; maintenance and opera-  
23 tion of farms; repairing, altering, improving or providing  
24 facilities in the several hospitals and homes under the juris-  
25 diction of the Veterans Administration, not otherwise provided

1 for, either by contract, or by the hire of temporary employees  
2 and purchase of materials; purchase of seventy passenger  
3 motor vehicles for replacement only; not to exceed  
4 \$375,000 for expenses of travel of employees; uniforms or  
5 allowances therefor as authorized by the Act of September  
6 1, 1954, as amended (5 U. S. C. 2131) ; and aid to State  
7 or Territorial homes in conformity with the Act approved  
8 August 27, 1888, as amended (24 U. S. C. 134) for the  
9 support of veterans eligible for admission to Veterans Ad-  
10 ministration facilities for hospital or domiciliary care;  
11 ~~\$715,465,000~~ \$717,267,000: *Provided*, That allotments and  
12 transfers may be made from this appropriation to the Depart-  
13 ment of Health, Education, and Welfare (Public Health  
14 Service), the Army, Navy, and Air Force Departments, for  
15 disbursement by them under the various headings of their ap-  
16 plicable appropriations, of such amounts as are necessary  
17 for the care and treatment of beneficiaries of the Veterans  
18 Administration: *Provided further*, That the foregoing ap-  
19 propriation is predicated on furnishing inpatient care and  
20 treatment to an average of ~~140,800~~ 139,630 beneficiaries  
21 during the fiscal year 1959 including members in State or  
22 Territorial homes, and if a lesser number is experienced such  
23 appropriation shall be expended only in proportion to the  
24 average number of beneficiaries furnished such care and treat-  
25 ment: *Provided further*, That reimbursements received from

1 *non-Federal sources for care and treatment of patients pro-*  
 2 *vided by this appropriation shall be credited to miscellaneous*  
 3 *receipts of the Treasury, and payments from the departments*  
 4 *and agencies of the Government for such care and treatment*  
 5 *may be made in advance, or by way of reimbursement, to this*  
 6 *appropriation, as may be agreed upon by the Administrator*  
 7 *and the head of the department or agency concerned.*

#### 8                   OUTPATIENT CARE

9       For expenses necessary for furnishing outpatient care to  
 10 beneficiaries of the Veterans Administration, as authorized  
 11 by law; purchase of two passenger motor vehicles for re-  
 12 placement only; uniforms or allowances therefor, as author-  
 13 ized by law; and not to exceed \$206,400 for expenses of  
 14 travel of employees; ~~\$75,000,000~~ \$75,798,000.

#### 15       MAINTENANCE AND OPERATION OF SUPPLY DEPOTS

16       For expenses necessary for maintenance and operation  
 17 of supply depots, including purchase of one passenger motor  
 18 vehicle for replacement only, uniforms or allowance therefor,  
 19 as authorized by law, and not to exceed \$7,400 for expenses  
 20 of travel of employees, ~~\$2,000,000~~ \$2,110,000.

#### 21                   COMPENSATION AND PENSIONS

22       For the payment of compensation, pensions, gratuities,  
 23 and allowances (including burial awards authorized by title  
 24 VIII of the Veterans' Benefits Act of 1957 (71 Stat. 117),  
 25 and subsistence allowances authorized by part VII of

1 Veterans Regulation 1 (a), as amended), authorized under  
2 any Act of Congress, or regulation of the President based  
3 thereon, including emergency officers' retirement pay and  
4 annuities, the administration of which is now or may here-  
5 after be placed in the Veterans Administration, and for the  
6 payment of adjusted-service credits as provided in sections  
7 401 and 601 of the Act of May 19, 1924, as amended (38  
8 U. S. C. 631 and 661), \$3,200,000,000, to remain avail-  
9 able until expended.

#### 10 READJUSTMENT BENEFITS

11 For the payment of benefits to or on behalf of veterans  
12 as authorized by titles II, III, and V, of the Servicemen's  
13 Readjustment Act of 1944, as amended, and title II of the  
14 Veterans Readjustment Assistance Act of 1952, as amended,  
15 and for supplies, equipment, and tuition authorized by part  
16 VII of Veterans Regulation Numbered 1 (a), as amended,  
17 payments authorized by titles VI and VII of the Veterans'  
18 Benefits Act of 1957 (71 Stat. 114-116), and for benefits  
19 authorized by the War Orphans' Educational Assistance Act  
20 of 1956, \$700,000,000, to remain available until expended:  
21 *Provided*, That the unexpended balance as of June 30, 1958,  
22 in the appropriation for "Automobiles and other con-  
23 veyances for disabled veterans", shall be merged with this  
24 appropriation.

## VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance; for the payment of benefits and for transfer to the national service life insurance fund, in accordance with the National Service Life Insurance Act of 1940, as amended; and for payment of liabilities under the Servicemen's Indemnity Act of 1951; \$51,100,000, to remain available until expended: *Provided*, That the unexpended balances as of June 30, 1958, in the appropriations for "Military and naval insurance", "National service life insurance", and "Servicemen's indemnities" shall be merged with this appropriation: *Provided further*, That certain premiums provided by law to be credited to any of the above appropriations shall be credited to this appropriation: *Provided further*, That this appropriation shall be subject to the same statutory provisions and shall be available for the same purpose as formerly applied to the aforementioned appropriations.

## GRANTS TO THE REPUBLIC OF THE PHILIPPINES

For payment to the Republic of the Philippines of grants in accordance with the Act of July 1, 1948, as amended (50 U. S. C. App. 1991-1996) *or, upon enactment into law of H. R. 6908, Eighty-fifth Congress, in accordance with part D of title V of the Veterans' Benefits Act of 1957*, for ex-

1 penses incident to medical care and treatment of veterans,  
2 ~~\$1,000,000~~ \$1,250,000.

3 CONSTRUCTION OF HOSPITAL AND DOMICILIARY  
4 FACILITIES

5 For hospital and domiciliary facilities, for planning and  
6 for major alterations, improvements, and repairs and extend-  
7 ing any of the facilities under the jurisdiction of the Veterans  
8 Administration or for any of the purposes set forth in sections  
9 1701-1703 of the Veterans Benefits Act of 1957 (71 Stat.  
10 141), ~~\$19,145,000~~ \$19,445,000, to remain available until  
11 expended: *Provided*, That the unexpended balance as of  
12 June 30, 1958, in the appropriation for "Major alterations,  
13 improvements, and repairs" shall be merged with this ap-  
14 propriation.

15 ADMINISTRATIVE PROVISIONS

16 Not to exceed 5 per centum of any appropriation for  
17 the current fiscal year for "Compensation and pensions",  
18 "Readjustment benefits", and "Veterans insurance and  
19 indemnities" may be transferred to any other of the men-  
20 tioned appropriations, but not to exceed 10 per centum of  
21 the appropriations so augmented, and not to exceed \$500,000  
22 of the appropriation "Veterans insurance and indemnities"  
23 for the current year may be transferred to "Service-disabled  
24 veterans insurance fund".

25 Appropriations available to the Veterans Administration

1 for the current fiscal year for salaries and expenses shall be  
2 available for services as authorized by section 15 of the Act  
3 of August 2, 1946 (5 U. S. C. 55a).

4 Appropriations available to the Veterans Administration  
5 for the current fiscal year for "Inpatient care" and "Out-  
6 patient care" shall be available for funeral, burial, and other  
7 expenses incidental thereto (except burial awards authorized  
8 by title VIII, Veterans' Benefits Act of 1957 (71 Stat. 117)  
9 (38 U. S. C., ch. 12A) ), for beneficiaries of the Veterans  
10 Administration receiving care under such appropriations.

11 No part of the appropriations in this Act for the Veter-  
12 ans Administration (except the appropriation for "Con-  
13 struction of hospital and domiciliary facilities") shall be  
14 available for the purchase of any site for or toward the con-  
15 struction of any new hospital or home.

16 No part of the foregoing appropriations shall be avail-  
17 able for hospitalization or examination of any persons except  
18 beneficiaries entitled under the laws bestowing such benefits  
19 to veterans, unless *advance payment or* reimbursement of  
20 cost is made to the appropriation *or to miscellaneous receipts,*  
21 *as may be required by law,* at such rates as may be fixed by  
22 the Administrator of Veterans Affairs.

## 23 INDEPENDENT OFFICES—GENERAL PROVISIONS

24 SEC. 102. Where appropriations in this title are ex-  
25 pendable for travel expenses of employees and no specific

1 limitation has been placed thereon, the expenditures for  
2 such travel expenses may not exceed the amounts set forth  
3 therefor in the budget estimates submitted for the appro-  
4 priations: *Provided*, That this section shall not apply to  
5 travel performed by uncompensated officials of local boards  
6 and appeal boards of the Selective Service System.

7 SEC. 103. Where appropriations in this title are ex-  
8 pendable for the purchase of newspapers and periodicals and  
9 no specific limitation has been placed thereon, the expendi-  
10 tures therefor under each such appropriation may not ex-  
11 ceed the amount of \$50: *Provided*, That this limitation shall  
12 not apply to the purchase of scientific, technical, trade, or  
13 traffic periodicals necessary in connection with the per-  
14 formance of the authorized functions of the agencies for  
15 which funds are herein provided, nor to the purchase of  
16 newspapers and periodicals necessary for the care and wel-  
17 fare of patients and members in Veterans Administration  
18 hospitals and domiciliary facilities.

19 SEC. 104. No part of any appropriation contained in  
20 this title shall be available to pay the salary of any person  
21 filling a position, other than a temporary position, formerly  
22 held by an employee who has left to enter the Armed Forces  
23 of the United States and has satisfactorily completed his  
24 period of active military or naval service and has within  
25 ninety days after his release from such service or from hos-

1 pitalization continuing after discharge for a period of not  
2 more than one year made application for restoration to his  
3 former position and has been certified by the Civil Service  
4 Commission as still qualified to perform the duties of his  
5 former position and has not been restored thereto.

6 SEC. 105. Appropriations contained in this title, avail-  
7 able for expenses of travel shall be available, when specifi-  
8 cally authorized by the head of the activity or establishment  
9 concerned, for expenses of attendance at meetings of organi-  
10 zations concerned with the function or activity for which  
11 the appropriation concerned is made.

12 SEC. 106. No part of any appropriations made avail-  
13 able by the provisions of this title shall be used for the pur-  
14 chase or sale of real estate or for the purpose of establishing  
15 new offices outside the District of Columbia: *Provided*, That  
16 this limitation shall not apply to programs which have been  
17 approved by the Congress and appropriations made therefor.

18 SEC. 107. No part of any appropriation contained in this  
19 title shall be used to pay the compensation of any employee  
20 engaged in personnel work in excess of the number that  
21 would be provided by a ratio of one such employee to one  
22 hundred and thirty-five, or a part thereof, full-time, part-  
23 time, and intermittent employees of the agency concerned:  
24 *Provided*, That for purposes of this section employees shall  
25 be considered as engaged in personnel work if they spend

1 half time or more in personnel administration consisting of  
 2 direction and administration of the personnel program; em-  
 3 ployment, placement, and separation; job evaluation and  
 4 classification; employee relations and services; training; wage  
 5 administration; and processing, recording, and reporting.

6 SEC. 108. None of the sections under the head "Inde-  
 7 pendent Offices—General Provisions" in this title shall apply  
 8 to the Housing and Home Finance Agency.

## 9 TITLE II—CORPORATIONS

10 The following corporations and agencies, respectively,  
 11 are hereby authorized to make such expenditures, within the  
 12 limits of funds and borrowing authority available to each  
 13 such corporation or agency and in accord with law, and to  
 14 make such contracts and commitments without regard to  
 15 fiscal year limitations as provided by section 104 of the  
 16 Government Corporation Control Act, as amended, as may  
 17 be necessary in carrying out the programs set forth in the  
 18 Budget for the fiscal year 1959 for each such corporation  
 19 or agency, except as hereinafter provided:

### 20 FEDERAL HOME LOAN BANK BOARD

#### 21 LIMITATION ON ADMINISTRATIVE AND EXAMINATION

#### 22 EXPENSES, FEDERAL HOME LOAN BANK BOARD

23 Not to exceed a total of \$1,600,000 shall be available for  
 24 administrative expenses of the Federal Home Loan Bank  
 25 Board, and shall be derived from funds available to the Fed-

1 eral Home Loan Bank Board, including those in the Federal  
2 Home Loan Bank Board revolving fund and receipts of the  
3 Federal Home Loan Bank Administration, the Federal  
4 Home Loan Bank Board, or the Home Loan Bank Board for  
5 the current fiscal year and prior fiscal years, and the Board  
6 may utilize and may make payment for services and facilities  
7 of the Federal home-loan banks, the Federal Reserve banks,  
8 the Federal Savings and Loan Insurance Corporation, and  
9 other agencies of the Government (including payment for  
10 office space) : *Provided*, That all necessary expenses in con-  
11 nection with the conservatorship of institutions insured by  
12 the Federal Savings and Loan Insurance Corporation or  
13 preparation for or conduct of proceedings under section 5  
14 (d) of the Home Owners' Loan Act of 1933 or section 407  
15 of the National Housing Act and all necessary expenses (in-  
16 cluding services performed on a contract or fee basis, but not  
17 including other personal services) in connection with the  
18 handling, including the purchase, sale, and exchange, of se-  
19 curities on behalf of Federal home-loan banks, and the sale,  
20 issuance, and retirement of, or payment of interest on,  
21 debentures or bonds, under the Federal Home Loan Bank  
22 Act, as amended, shall be considered as nonadministrative  
23 expenses for the purposes hereof: *Provided further*, That  
24 not to exceed \$55,000 shall be available for expenses  
25 of travel: *Provided further*, That members and alter-

1 nates of the Federal Savings and Loan Advisory Council  
2 shall be entitled to reimbursement from the Board as ap-  
3 proved by the Board for transportation expenses incurred in  
4 attendance at meetings of or concerned with the work of such  
5 Council and may be paid not to exceed \$25 per diem in lieu  
6 of subsistence: *Provided further*, That notwithstanding any  
7 other provisions of this Act, except for the limitation in  
8 amount hereinbefore specified, the administrative expenses  
9 and other obligations of the Board shall be incurred, allowed,  
10 and paid in accordance with the provisions of the Federal  
11 Home Loan Bank Act of July 22, 1932, as amended (12  
12 U. S. C. 1421-1449) : *Provided further*, That the nonadmin-  
13 istrative expenses for the examination of Federal and State  
14 chartered institutions (other than special examinations deter-  
15 mined by the Board to be necessary) shall not exceed  
16 \$6,343,000.

17 LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
18 SAVINGS AND LOAN INSURANCE CORPORATION

19 Not to exceed \$720,000 shall be available for admin-  
20 istrative expenses, which shall be on an accrual basis  
21 and shall be exclusive of interest paid, depreciation, properly  
22 capitalized expenditures, expenses in connection with liqui-  
23 dation of insured institutions or preparation for or conduct of  
24 proceedings under section 407 of the National Housing Act,  
25 liquidation or handling of assets of or derived from insured

1 institutions, payment of insurance, and action for or toward  
2 the avoidance, termination, or minimizing of losses in the  
3 case of insured institutions, legal fees and expenses, and pay-  
4 ments for administrative expenses of the Federal Home Loan  
5 Bank Board determined by said Board to be properly allo-  
6 cable to said Corporation, and said Corporation may utilize  
7 and may make payment for services and facilities of the  
8 Federal home-loan banks, the Federal Reserve banks, the  
9 Federal Home Loan Bank Board, and other agencies of the  
10 Government: *Provided*, That not to exceed \$15,400 shall  
11 be available for expenses of travel: *Provided further*, That  
12 notwithstanding any other provisions of this Act, except for  
13 the limitation in amount hereinbefore specified, the adminis-  
14 trative expenses and other obligations of said Corporation  
15 shall be incurred, allowed and paid in accordance with title  
16 IV of the Act of June 27, 1934, as amended (12 U. S. C.  
17 1724-1730).

## 18 GENERAL SERVICES ADMINISTRATION

### 19 LIMITATION ON ADMINISTRATIVE EXPENSES, ABACA

#### 20 FIBER PROGRAM

21 Not to exceed \$47,000 of funds available to the General  
22 Services Administration for the abaca fiber program shall be  
23 available for administrative expenses incident to the abaca  
24 fiber program, to be computed on an accrual basis, and to be  
25 exclusive of the interest paid, depreciation, capitalized ex-

penditures, expenses in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property relating to the abaca fiber program, and expenses of services performed on a contract or fee basis in connection with the performance of legal services.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
FACILITIES CORPORATION

Not to exceed ~~\$25,000~~ \$40,000 shall be available during the fiscal year 1959 for all administrative expenses of the Corporation (including use of the services and facilities of Federal Reserve banks), to be computed on an accrual basis, and to be exclusive of interest paid, depreciation, capitalized expenditures, expenses in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to the Corporation or in which it has an interest, expenses of services performed on a contract or fee basis in connection with the performance of legal services, and all administrative expenses reimbursable from other Government agencies.

LIMITATION ON ADMINISTRATIVE EXPENSES, RECON-  
STRUCTION FINANCE CORPORATION LIQUIDATION  
FUND

Not to exceed ~~\$42,500~~ \$54,000 (to be computed on an accrual basis) of the funds derived from liquidation of functions of Reconstruction Finance Corporation transferred to General

1 Services Administration under Reorganization Plan No. 1 of  
2 1957 (22 F. R. 4633), shall be available during the current  
3 fiscal year for administrative expenses incident to the liqui-  
4 dation of said functions: *Provided*, That as used herein the  
5 term "administrative expenses" shall be construed to include  
6 all salaries and wages, services performed on a contract or  
7 fee basis, and travel and other expenses, including the pur-  
8 chase of equipment and supplies, of administrative offices,  
9 but this amount shall be exclusive of costs of services per-  
10 formed on a contract or fee basis in connection with the ter-  
11 mination of contracts or in the performance of legal services:  
12 *Provided further*, That the distribution of administrative  
13 expenses to the accounts shall be made in accordance with  
14 generally recognized accounting principles and practices.

#### 15 HOUSING AND HOME FINANCE AGENCY

##### 16 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF

##### 17 THE ADMINISTRATOR, COLLEGE HOUSING LOANS

18 Not to exceed \$1,675,000 shall be available for all ad-  
19 ministrative expenses, which shall be on an accrual basis, of  
20 carrying out the functions of the Office of the Administrator  
21 under the program of housing loans to educational institu-  
22 tions (title IV of the Housing Act of 1950, as amended,  
23 12 U. S. C. 1749-1749d), but this amount shall be exclusive  
24 of payment for services and facilities of the Federal Reserve  
25 banks or any member thereof, the Federal home-loan banks,

1 and any insured bank within the meaning of the Act creating  
 2 the Federal Deposit Insurance Corporation (Act of August  
 3 23, 1935, as amended, 12 U. S. C. 264) which has been  
 4 designated by the Secretary of the Treasury as a depository  
 5 of public money of the United States: *Provided*, That not to  
 6 exceed \$65,000 shall be available for expenses of travel.

7 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF  
 8 THE ADMINISTRATOR, PUBLIC FACILITY LOANS

9 Not to exceed ~~\$400,000~~ \$525,000 of funds in the re-  
 10 volving fund established pursuant to title II of the Housing  
 11 Amendments of 1955, as amended, shall be available for  
 12 administrative expenses, but this amount shall be exclusive of  
 13 payment for services and facilities of the Federal Reserve  
 14 banks or any member thereof, the Federal home-loan banks,  
 15 and any insured bank within the meaning of the Act creating  
 16 the Federal Deposit Insurance Corporation (Act of August  
 17 23, 1935, as amended, 12 U. S. C. 264) which has been  
 18 designated by the Secretary of the Treasury as a depository  
 19 of public money of the United States.

20 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF  
 21 THE ADMINISTRATOR, REVOLVING FUND (LIQUIDAT-  
 22 ING PROGRAMS)

23 During the current fiscal year not to exceed \$600,000  
 24 shall be available for administrative expenses (including not  
 25 to exceed \$38,000 for travel), but this amount shall be ex-

1 exclusive of costs of services performed on a contract or fee  
2 basis in connection with termination of contracts *expenses*  
3 *necessary in the case of defaulted obligations to protect the*  
4 *interests of the Government* and legal services on a contract  
5 or fee basis and of payment for services and facilities  
6 of the Federal Reserve banks or any member thereof,  
7 any servicer approved by the Federal National Mortgage  
8 Association, the Federal home-loan banks, and any  
9 insured bank within the meaning of the Act of August  
10 23, 1935, as amended, creating the Federal Deposit In-  
11 surance Corporation (12 U. S. C. 264) which has been  
12 designated by the Secretary of the Treasury as a depository  
13 of public money of the United States.

14 LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
15 NATIONAL MORTGAGE ASSOCIATION

16 Not to exceed \$4,750,000 shall be available for admin-  
17 istrative expenses, which shall be on an accrual basis, and  
18 shall be exclusive of interest paid, expenses (including ex-  
19 penses for fiscal agency services performed on a contract or  
20 fee basis) in connection with the issuance and servicing of  
21 securities, depreciation, properly capitalized expenditures,  
22 fees for servicing mortgages, expenses (including services  
23 performed on a force account, contract, or fee basis, but not  
24 including other personal services) in connection with the ac-  
25 quisition, protection, operation, maintenance, improvement,

1 or disposition of real or personal property belonging to said  
2 Association or in which it has an interest, cost of salaries,  
3 wages, travel, and other expenses of persons employed out-  
4 side of the continental United States, expenses of services  
5 performed on a contract or fee basis in connection with the  
6 performance of legal services, and all administrative expenses  
7 reimbursable from other Government agencies, and said As-  
8 sociation may utilize and may make payment for services and  
9 facilities of the Federal Reserve banks and other agencies  
10 of the Government: *Provided*, That the distribution of ad-  
11 ministrative expenses to the accounts of the Association shall  
12 be made in accordance with generally recognized account-  
13 ing principles and practices: *Provided further*, That not to  
14 exceed ~~\$125,000~~ \$150,000 shall be available for expenses  
15 of travel.

16 LIMITATION ON ADMINISTRATIVE AND NONADMINISTRA-  
17 TIVE EXPENSES, FEDERAL HOUSING ADMINIS-  
18 TRATION

19 For administrative expenses in carrying out duties im-  
20 posed by or pursuant to law, not to exceed \$7,300,000 of  
21 the various funds of the Federal Housing Administration  
22 shall be available, in accordance with the National Housing  
23 Act, as amended (12 U. S. C. 1701), including uniforms or  
24 allowances therefor, as authorized by the Act of September  
25 1, 1954, as amended (5 U. S. C. 2131): *Provided*, That,

1 except as herein otherwise provided, all expenses and obli-  
2 gations of said Administration shall be incurred, allowed,  
3 and paid in accordance with the provisions of said Act:  
4 *Provided further*, That not to exceed \$445,000 shall be  
5 available for expenses of travel: *Provided further*, That  
6 funds shall be available for contract actuarial services (not to  
7 exceed \$1,500) ; and purchase of periodicals and newspapers  
8 (not to exceed \$750) : *Provided further*, That nonadminis-  
9 trative expenses classified by section 2 of Public Law 387,  
10 approved October 25, 1949, shall not exceed \$38,500,000.

11 LIMITATION ON ADMINISTRATIVE AND NONADMINISTRA-  
12 TIVE EXPENSES, PUBLIC HOUSING ADMINISTRATION

13 Not to exceed the amount appropriated for such ex-  
14 penses by title I of this Act shall be available for the  
15 administrative expenses of the Public Housing Administra-  
16 tion in carrying out the provisions of the United States Hous-  
17 ing Act of 1937, as amended (42 U. S. C. 1401-1433) , in-  
18 cluding not to exceed \$900,000 for expenses of travel;  
19 purchase of uniforms, or allowances therefor, as authorized  
20 by the Act of September 1, 1954, as amended (5 U. S. C.  
21 2131) ; purchase of not to exceed one passenger motor  
22 vehicle for replacement only; and expenses of attendance  
23 at meetings of organizations concerned with the work of the  
24 Administration: *Provided*, That necessary expenses of  
25 providing representatives of the Administration at the sites

1 of non-Federal projects in connection with the construction  
2 of such non-Federal projects by public housing agencies  
3 with the aid of the Administration, shall be compensated by  
4 such agencies by the payment of fixed fees which in the  
5 aggregate in relation to the development costs of such projects  
6 will cover the costs of rendering such services, and expendi-  
7 tures by the Administration for such purpose shall be  
8 considered nonadministrative expenses, and funds received  
9 from such payments may be used only for the payment of  
10 necessary expenses of providing representatives of the Ad-  
11 ministration at the sites of non-Federal projects: *Provided*  
12 *further*, That all expenses of the Public Housing Adminis-  
13 tration not specifically limited in this Act, in carrying out  
14 its duties imposed by law, shall not exceed ~~\$1,800,000~~  
15 ~~\$2,122,000~~.

#### 16 CORPORATIONS—GENERAL PROVISION

17 SEC. 202. No part of the funds of, or available for  
18 expenditure by, any corporation or agency included in this  
19 title shall be used to pay the compensation of any employee  
20 engaged in personnel work in excess of the number that  
21 would be provided by a ratio of one such employee to one  
22 hundred and thirty-five, or a part thereof, full-time, part-  
23 time, and intermittent employees of the agency concerned:  
24 *Provided*, That for purposes of this section employees shall  
25 be considered as engaged in personnel work if they spend

1 half-time or more in personnel administration consisting of  
2 direction and administration of the personnel program; em-  
3 ployment, placement, and separation; job evaluation and  
4 classification; employee relations and services; training;  
5 committees of expert examiners and boards of civil-service  
6 examiners; wage administration; and processing, recording,  
7 and reporting.

8 TITLE III—GENERAL PROVISIONS

9 SEC. 301. No part of any appropriation contained in  
10 this Act, or of the funds available for expenditure by any  
11 corporation or agency included in this Act, shall be used  
12 for publicity or propaganda purposes designed to support  
13 or defeat legislation pending before the Congress.

14 This Act may be cited as the “Independent Offices  
15 Appropriation Act, 1959”.

Passed the House of Representatives March 27, 1958.

Attest:

RALPH R. ROBERTS,

*Clerk.*

[Report No. 1656]

---

## AN ACT

---

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

---

MARCH 31, 1958

Read twice and referred to the Committee on  
Appropriations

JUNE 5 (legislative day, JUNE 4), 1958

Reported with amendments





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 10, 1958  
For actions of June 9, 1958  
85th-2d, No. 92

## CONTENTS

Acreage reserve.....1		
Appropriations.....1,6,7,11,37,38		
Awards.....30		
Buildings.....39		
Citrus prices.....25		
Civil works.....6		
Conservation program.....1		
Construction.....43		
Economic situation.....22		
Education.....40	Legislative program.....19	Research.....21,40
Educational exchange.....16	Livestock.....42	Retirement.....9,41
Farm program.....8,28,29	Meat inspection.....1	Small business.....13
Food additives.....27,36	Meats.....24	Timber.....17
Foreign aid.....10,20	Milk.....26	Transportation.....32
Foreign trade.....2,23	Property.....14	Unemployment compensation.....7
Forestry.....4,19	Peanuts.....31	Vehicles.....35
Grain standards.....3	Personnel.....9,33,41	Virgin Islands.....34
Inspection services.....15	Price supports.....29,31	Wheat.....18
International organizations.....9	Public Law 480.....29	Wildlife.....12,19
Leave.....41	Public works.....1	Witchweed.....1
	Reclamation.....5	

HIGHLIGHTS: House received supplemental appropriation request for various agencies, including USDA. Senate passed general Government matters and independent offices appropriation bills. House debated trade agreements bill. (Highlights continued on page 5.)

## HOUSE

1. APPROPRIATIONS. Received from the President supplemental appropriation estimates for the fiscal year 1959 (House Doc. 394); to Appropriations Committee. This document includes the following items for this Department: Agricultural Research Service, for the control and eradication of witchweed, \$3,000,000; and for meat inspection, \$2,100,000; Agricultural Conservation Program Service, proposed language to continue available until December 31, 1958, the unobligated balances of appropriations made during calendar year 1957 for "Emergency Conservation Measures"; Soil Bank Programs, for the Acreage Reserve Program, \$282,800,000; and to increase the limitation on administrative expenses for this program from \$13,000,000 to \$20,600,000. p. 9523

The Appropriations Committee was granted permission until midnight Mon., June 9, to file a report on the public works appropriation bill. p. 9465

2. FOREIGN TRADE. Began debate on H. R. 12591, to extend the authority of the President to enter into trade agreements. pp. 9468-9509, 9520-22

3. GRAIN STANDARDS. The Agriculture Committee reported with amendment S. 2007, to amend the Grain Standards Act to permit the collection of charges to reimburse the Department for overtime, travel, and certain other costs in connection with handling appeal inspections (H. Rept. 1862). p. 9524

4. FORESTRY. The Agriculture Committee reported without amendment H. R. 10321, to authorize exchange of lands within the Estes Park Administrative Site, Roosevelt National Forest, for lands of equal value outside the Forest (H. Rept. 1863). p. 9524
5. RECLAMATION. The Interior and Insular Affairs Committee reported without amendment H. R. 8645, to amend the Reclamation Project Act regarding the repayment of contracts on reclamation projects (H. Rept. 1861). p. 9524
6. CIVIL WORKS. The Appropriations Committee reported without amendment H. R. 12858, making appropriations for civil functions administered by the Army, Interior, and TVA for 1959 (H. Rept. 1864). p. 9524
7. UNEMPLOYMENT COMPENSATION. Passed with amendment H. J. Res. 624, making appropriations to the Department of Labor for unemployment compensation payments, including former Federal employees. This measure had been reported without amendment earlier by the Appropriations Committee (H. Rept. 1860). pp. 9467-68, 9524
8. FARM PROGRAM. The "Daily Digest" states as follows: "Committee on Agriculture Met in executive session for consideration of a proposed omnibus farm bill. Committee will vote in executive session tomorrow on the respective sections thereof." p. D516
9. PERSONNEL. Agreed to the conference report on S. 72, to increase annuities payable to certain annuitants from the civil service retirement and disability fund. pp. 9466-67  
Received from the State Department a proposed bill "to encourage and authorize details and transfer of Federal employees for service with international organizations"; to Post Office and Civil Service Committee. p. 9523
10. FOREIGN AID. Conferees were appointed on H. R. 12181, the mutual security authorization bill. (p. 9510) Senate conferees were appointed June 6.  
Received from the State Department a report for 1957 on major changes in the mutual security program. p. 9524

SENATE

11. APPROPRIATIONS. ~~Passed as reported H. R. 10589, the general Government matters appropriation bill for 1959. Senate conferees were appointed. p. 9426~~  
Passed with amendments H. R. 11574, the independent offices appropriation bill for 1959. Adopted the committee amendments which include \$100,000 for farm housing research, and amendments by Sens. Magnuson to require construction of Federal Office Building No. 6 in D. C., and by Sen. Dirksen to allow all 29 contracted-for lease purchase buildings to be constructed. Senate conferees were appointed. pp. 9426-32  
The committee report on the independent offices bill included the following statement:  
"The committee recommends to be inserted in the bill the item for farm housing research, in the amount of \$100,000, to continue the program started last year with \$75,000 in the supplemental bill, to carry out the provisions of section 603 of the Housing Act of 1957 through grants for research, study, and analysis to be conducted by land-grant colleges.  
"In this connection, the committee believes that this phase of such research should be concluded within the amount recommended, and that any further research on this subject should be done within the funds appropriated to the Department of Agriculture."

The Committee on the District of Columbia received a letter dated June 25, 1957, from the District of Columbia Unemployment Compensation Board, addressed to the counsel of the committee, in which it was stated:

At your request, I am submitting an analysis of a bill to amend the District of Columbia Unemployment Compensation Act which was drafted by this office at the request of Senator SCHOEPPER.

In essence, for many years it has been the understanding that employees of Senators, in connection with political activities, and in particular, in this instance, employees of the National Republican Senatorial Committee, were not covered by the Unemployment Compensation Act. It has been discovered that technically they were, but have never taken advantage of the act.

The bill in effect exempts them from any past payment, and puts them in a position in which in the future they can elect to come under the act if they wish.

The employees of the Democratic Senatorial Campaign Committee are presently covered under the act. The pending bill really is for the benefit of the group which serves Senators on the other side of the aisle; but, in fairness, the bill should have the unanimous approval of the Senate.

So I submit the bill.

Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER (Mr. JORDAN in the chair). Without objection, the committee amendments will be considered en bloc.

The question is on agreeing en bloc to the amendments.

The amendments were agreed to.

The PRESIDING OFFICER. If there be no further amendments to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 2419) was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move that the Senate reconsider the vote by which the bill was passed.

Mr. MORSE. Mr. President, I move that the motion to reconsider be laid on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

#### ACTIONS FOR DAMAGES AGAINST THE DISTRICT OF COLUMBIA

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1671, Senate bill 3058, to amend the act regulating the bringing of actions for damages against the District of Columbia, approved February 28, 1933.

The motion was agreed to; and the Senate proceeded to consider the bill (S. 3058) to amend the act regulating the bringing of actions for damages against the District of Columbia, approved February 28, 1933, which had been reported from the Committee on

District of Columbia, with amendments, on page 2, line 3, after the word "the", to strike out "exact date" and insert "approximate time"; in line 4, after the word "circumstances", to strike out "and the approximate hour"; at the beginning of line 8, to strike out "That the giving of notice in any other manner or to any other officer or employee of the District of Columbia shall not be deemed compliance with the requirements of this act" and insert "That if by reason of physical or mental incapacity the person injured fails to give such notice within such 10-day period, the claimant may give such notice within 10 days after such incapacity has been removed."; in line 15, after "Sec. 2.", to strike out "The provisions of this" and insert "This", and in line 18, after the word "its", to strike out "approval" and insert "enactment", so as to make the bill read:

*Be it enacted, etc.,* That the act entitled "An act to regulate the bringing of actions for damages against the District of Columbia, and for other purposes", approved February 28, 1933 (47 Stat. 1370, ch. 138; sec. 12-208; D. C. Code, 1951 edition), is amended to read as follows:

"No action shall be maintained against the District of Columbia for unliquidated damages to person or property unless, within 60 days after the injury or damage was sustained, the claimant, his agent, or attorney gave notice in writing to the Commissioners of the District of Columbia of the approximate time, place, cause, and circumstances of such injury or damage: *Provided*, That if the injury or damage was caused by snow or ice, or both, such notice shall be given within 10 days after the injury or damage was sustained: *Provided further*, That if by reason of physical or mental incapacity the person injured fails to give such notice within such 10-day period, the claimant may give such notice within 10 days after such incapacity has been removed."

SEC. 2. This act shall apply to all actions for unliquidated damages to persons or property brought against the District of Columbia from and after the date of its enactment.

Mr. MORSE. Mr. President, this is another bill which comes before the Senate from the District of Columbia Committee, by unanimous vote of the committee.

I wish to give a brief explanation of the bill, on behalf of the committee:

Existing law in the District of Columbia provides that no action shall be maintained against the District for unliquidated damages to persons or property unless the claimant within 6 months after the injury or damage was sustained gives notice in writing to the Commissioners of the District of the approximate time, place, cause, and circumstances of such injury or damage, with a proviso that a report in writing by the Metropolitan Police Department shall be regarded as a sufficient notice under the above provision.

This bill would amend existing law as follows:

First. Change the time for giving notice of unliquidated damages to persons or property from 6 months to 60 days.

Second. In the event injury or damage is caused by snow or ice, or both, the notice must be given within 10 days after the injury or damage was sustained, with a proviso that if by reason

of physical or mental incapacity the person injured fails to give such notice within such 10-day period, the claimant may give such notice within 10 days after such incapacity has been removed.

Third. The proviso in existing law, namely, that a report in writing by the Metropolitan Police Department in regular course of duty shall be regarded as sufficient notice, would be eliminated from the act. Testimony before the subcommittee indicated that the police department is not organized to investigate such accidents, and on occasion must accept inaccurate statements from injured persons or their representatives.

Fourth. Provision is made that the act shall apply to all actions for unliquidated damages to persons or property brought against the District from and after the date of its enactment. This section is inserted to make it clear that the provisions of the bill are not retroactive.

It is believed that this bill will protect the District against unreasonable claims for damages and at the same time offer adequate protection to the rights of individuals.

The bill bears in no way on the time within which suit should be filed, but does, however, require notice in writing within the aforementioned periods. Further, it is not intended to alter any existing judicial opinion concerning to whom the notice should be transmitted, except to the extent of the amendments included in the bill.

This measure was requested by, and has the recommendation of, the District Commissioners.

Enactment of this bill will involve no additional expenditure to the District.

Mr. President, I submit the bill; and I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

The question now is on agreeing en bloc to the committee amendments.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MAGNUSON. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. JOHNSON of Texas. Mr. President, I thank my friend, the Senator from Oregon.

#### MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 2) to increase annuities payable to certain annuitants from the civil service retirement and disability fund, and for other purposes.

The message also announced that the House had passed a joint resolution (H. J. Res. 624) making additional supplemental appropriations for the Department of Labor for carrying into effect the provisions of the Temporary Unemployment Compensation Act of 1958, and for other purposes, in which it requested the concurrence of the Senate.

#### ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

S. 118. An act for the relief of the General Box Co.;

S. 2060. An act for the relief of Elizabeth Biro; and

H. R. 6908. An act to authorize modification and extension of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of certain veterans, to restore eligibility for hospital and medical care to certain veterans of the Armed Forces of the United States residing in the Philippines, and for other purposes.

#### HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 624) making additional supplemental appropriations for the Department of Labor for carrying into effect the provisions of the Temporary Unemployment Compensation Act of 1958, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

#### APPROPRIATIONS FOR THE EXECUTIVE OFFICE AND SUNDRY GENERAL GOVERNMENT AGENCIES

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 1686 House bill 10589, making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes.

The motion was agreed to, and the Senate proceeded to consider the bill (H. R. 10589) making appropriations for the Executive Office of the President and sundry general Government agencies for the fiscal year ending June 30, 1959, and for other purposes, which had been reported from the Committee on Appropriations with amendments, which were under the heading "Title I—Executive Office of the President—Office of Defense Mobilization—Salaries and Expenses," on page 5, line 2 after the word "appropriation", to strike out "\$2,214,000" and insert "\$2,285,000"; under the heading "Funds Appropriated to the President—Emergency Fund for the President, National Defense," on page 6, line 12, after the word "year", to strike out "\$1,000,000" and insert "\$275,000, together with the unobligated balance in such fund on June 30, 1958"; and under the heading "Foreign Claims Settlement Commission—Salaries and Expenses," on page 8, line 18, after the word "aliens", to strike out "\$600,000" and insert "\$650,000."

Mr. MAGNUSON. Mr. President, this bill provides funds for the various functions under the Executive Offices of the President, including the White House, and also for the American Battle Monuments Commission, the Commission on Civil Rights, the Foreign Claims Settlement Commission, and the Subversive Activities Control Board.

The bill as reported to the Senate, totals \$14,954,870, which is a reduction of \$604,000 from the House allowance and \$860,000 below the budget estimates.

Three amendments are recommended: The committee was unanimously in favor of restoration of \$71,000 to the Office of Defense Mobilization, and the restoration of \$50,000 to the Foreign Claims Settlement Commission; and the committee was also in favor of an amendment to appropriate \$275,000, together with the unobligated balance, estimated at \$725,000, in order to continue the amount of \$1 million available to the Emergency Fund for the President, without appropriating the full amount. In other words, the amendment would keep the Fund at the \$1 million level.

In regard to the remainder of the bill, the Senate committee agreed generally with the amounts voted by the House for most of the commissions and independent offices.

Other than the differences I have stated, the two versions of the bill, as passed by the House of Representatives and the Senate, respectively, are about the same.

Mr. President, I ask unanimous consent that the committee amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing en bloc to the committee amendments, which have been stated.

The amendments were agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 10589) was read the third time, and passed.

Mr. MAGNUSON. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. JOHNSON of Texas. Mr. President, I move to lay on the table the motion to reconsider.

The motion to lay on the table was agreed to.

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. DIRKSEN, Mr. SALTONSTALL, and Mr. MUNDT conferees on the part of the Senate.

#### INDEPENDENT OFFICES APPROPRIATIONS, 1959

Mr. JOHNSON of Texas. I move that the Senate proceed to the consideration of Calendar No. 1687, House bill 11574, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes, which had been reported from the Committee on Appropriations with amendments, which were:

Under the heading "Title I—Independent Offices—Civil Service Commission", on page 4, after line 5, to strike out:

#### PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the act approved May 22, 1920, and the acts amendatory thereof (5 U. S. C., ch. 30), \$589 million, which amount shall be placed to the credit of the civil service retirement and disability fund: *Provided*, That no part of the appropriations herein made and no part of the moneys now or hereafter contained in the civil service retirement and disability fund shall be applied toward the payment of any increase in annuity benefits or any new annuity benefits under the act approved May 22, 1920, and the acts amendatory thereof (5 U. S. C., ch. 30) which may be authorized by amendment to said acts after the enactment of this act until and unless an appropriation is made to such fund in an amount estimated by the Civil Service Commission to be sufficient to prevent an immediate increase in the unfunded accrued liability of said fund.

Under the heading "Federal Civil Defense Administration—Operations", on page 6, line 3, after the word "exceed", to strike out "\$6,000" and insert "\$10,000"; in line 5, after the word "exceed", to strike out "\$815,000" and insert "\$1,050,000"; in line 10, after the word "conclusive", to strike out "\$18,250,000" and insert "\$21,915,000", and at the beginning of line 11, to strike out "\$250,000" and insert "\$2,915,000".

Under the subhead "Research and Development," on page 7, line 2, after "(5 U. S. C. 55a)", to strike out "\$2,000,000" and insert "\$3,000,000."

Under the heading "Federal Power Commission—Salaries and Expenses," on page 7, line 23, after the word "exceed," to strike out "\$350,000" and insert "\$400,000"; on page 8, at the beginning of line 1, to strike out \$6,000,000" and insert "\$6,385,000", and in line 5, after the word "individuals", to strike out the colon and insert "*Provided*, That not to exceed \$307,400 shall be available for investigations relating to Federal river development projects."

Under the heading "Federal Trade Commission—Salaries and Expenses", on page 8, at the beginning of line 15, to strike out "\$251,250" and insert "\$259,250", and in the same line, after the word "travel", to strike out "\$5,950,000" and insert "\$6,000,000."

Under the heading "General Services Administration—Operating Expenses, Public Buildings Service," on page 9, line 18, after the word "exceed," to strike out "\$222,000" and insert "\$272,000," and at the beginning of line 19, to strike out "\$133,039,000" and insert "\$138,089,000."

Under the subhead "Sites and Expenses, Public Buildings Projects," on page 10, line 20 after the word "tests", to insert "rental, alteration, and repair of temporary space required for activities displaced from buildings located on sites to be utilized for construction; restoration of such space; moving Government agencies to such space or completed buildings; furnishings and equipment,"; on page 11, line 2, after the word "projects", to strike out "\$38,000,000" and insert "\$39,915,000", and in line 12, after the word "appropriation" to strike out the colon and "Provided further, That no part of such funds shall be used during the current fiscal year for preparation of drawings and specifications, acquisition of sites, design, planning, construction, or in any other manner for or in connection with proposed Federal office building No. 7 on square 167 in the District of Columbia (project No. 3-DC-05, General Services Administration prospectus submitted July 13, 1956)" and insert "Provided further, That not to exceed \$130,000 of such funds may be deposited to the Administrative Operations Fund in addition to the amount included in the budget estimates for that purpose."

Under the subhead "Construction, Public Buildings Projects," on page 12, at the beginning of line 2, to strike out "\$177,255,000" and insert "\$196,566,000", and in line 3, after the word "expended", to strike out "of which amount not to exceed \$700,000 shall be available for site and construction costs for the project at Milledgeville, Ga."

Under the subhead "Payments, Public Buildings Purchase Contracts," on page 12, line 10, after the figures "\$310,900," to strike out "Provided, That hereafter no part of any funds in this or any other act shall be used for payment for sites, planning or construction of any buildings by lease-purchase contracts except buildings used solely for post office purposes" and insert "Provided, That hereafter, except for projects located at Atlanta, Ga.; Rock Island, Ill.; Council Bluffs, Iowa; Kansas City, Kans.; Burlington, Iowa; Albuquerque, N. Mex.; and Sacramento, Calif., no part of any funds in this or any other act shall be used for payment for sites, planning, or construction of any buildings by lease-purchase contracts: *Provided further*, That the Administrator of General Services may enter into a 10-year contract for the project at Sacramento, Calif., during the fiscal year 1959, for which the annual payment for amortization of principal and interest thereon shall not exceed \$1,250,000."

At the top of page 13, to insert:

CONSTRUCTION, UNITED STATES COURT OF CLAIMS AND FEDERAL OFFICE BUILDING, WASHINGTON, D. C.

For expenses necessary for preparation of plans and specifications for a building in Washington, D. C., for use of the United States Court of Claims, and agencies of the executive branch of the Government, pur-

suant to the provisions of the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341), \$1,200,000, to remain available until expended.

On page 13, after line 10, to insert:

CONSTRUCTION, UNITED STATES MISSION BUILDING, NEW YORK, N. Y.

For construction of a building in New York, N. Y., for use as the headquarters of the United States Mission to the United Nations, pursuant to the provisions of the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341), \$3,975,000, to remain available until expended.

Under the subhead "Operating Expenses, Federal Supply Service", on page 13, line 24, after the word "travel", to strike out "\$3,360,000" and insert "\$3,560,000", and on page 14, line 1, after the word "That", to insert "not."

Under the subhead "Expenses, Supply Distribution", on page 14, line 17, after the word "exceed", to strike out "\$120,000" and insert "\$145,000", and in the same line, after the word "travel", to strike out "\$18,165,000" and insert "\$19,365,000."

On page 14, after line 18, to insert:

GENERAL SUPPLY FUND

To increase the general supply fund established by the Federal Property and Administrative Services Act of 1949, as amended (5 U. S. C. 630g), \$12,500,000, to be immediately available.

Under the subhead "Operating Expenses, National Archives and Records Service", on page 15, line 5, after the word "exceed", to strike out "\$50,000" and insert "\$59,000", and in line 6, after the word "travel", to strike out "\$7,293,000" and insert "\$7,615,000."

Under the subhead "Operating Expenses, Transportation and Public Utilities Service", on page 15, line 11, after the word "exceed", to strike out "\$60,000" and insert "\$65,500", and in line 14, after the word "individuals", to strike out "\$1,800,000" and insert "\$1,900,000."

Under the subhead "Strategic and Critical Materials," on page 15, after line 15, to strike out:

Funds available for carrying out the provisions of the Strategic and Critical Materials Stock Piling Act of July 23, 1946, during the current fiscal year shall be available for

And insert:

For necessary expenses in carrying out the provisions of the Strategic and Critical Materials Stock Piling Act of July 23, 1946, including.

In line 23, after the word "exceed", to strike out "\$3,324,000" and insert "\$3,400,000"; on page 16, line 1, after the word "exceed", to strike out "\$86,000" and insert "\$106,000", and in line 8, after "(7 U. S. C. 1704 (b))", to insert "\$80,500,000, to remain available until expended."

Under the subhead "Administrative Operations Fund," on page 17, line 11, after the word "exceed", to strike out "\$10,700,000" and insert "\$11,386,000", and in line 12, after the word "exceed", to strike out "\$170,000" and insert "\$198,000."

Under the heading "Housing and Home Finance Agency—Office of the Administrator—Salaries and Expenses", on page 19, line 9, after the word "ex-

ceed", to strike out "\$400,000" and insert "\$450,000"; at the beginning of line 12, to strike out "\$8,000,000" and insert "\$8,750,000", and in the same line, after the word "Provided", to strike out "That of the foregoing amount \$6,000,000 shall be available for administrative expenses of urban renewal programs: *Provided further*."

Under the subhead "Urban Planning Grants", on page 20, line 10, after the word "amended", to strike out "\$3,000,000" and insert "\$3,500,000."

On page 20, after line 11, to insert:

FARM HOUSING RESEARCH

To carry out the provisions of section 603 of the Housing Act of 1957 for farm housing research to be conducted by land-grant colleges through grants for research, study, and analysis, \$100,000.

Under the heading "Interstate Commerce Commission—Salaries and Expenses", on page 21, line 18, after the word "exceed", where it appears the first time, to strike out "\$200" and insert "\$400", and in the same line, after the word "exceed", where it appears the second time, to strike out "twenty-seven" and insert "thirty-seven"; in line 20, after the word "exceed", to strike out "\$1,200,000" and insert "\$1,250,000"; in line 21, after the word "travel", to strike out "\$16,750,000" and insert "\$17,250,000"; in line 22, after the word "which", to insert "(a)", and at the top of page 22, to insert "(b) \$225,000 shall be available for expenses necessary to carry out such defense mobilization functions as may be delegated pursuant to law."

Under the heading "National Advisory Committee for Aeronautics—Salaries and Expenses", on page 22, line 12, after the word "exceed", to strike out "\$500,000" and insert "\$1,500,000"; in line 13, after the word "exceed", to strike out "\$402,500" and insert "\$422,500"; in line 15, after the word "aircraft", to strike out "purchase of fourteen passenger motor vehicles for replacement only" and insert "purchase of sixteen passenger motor vehicles, of which fourteen shall be for replacement only", and in line 22, after "5 U. S. C. 55a)", to strike out "\$78,100,000" and insert "\$80,100,000."

Under the subhead "Construction and Equipment", on page 22, line 25, after the word "Committee", to strike out "\$23,000,000" and insert "\$26,220,000."

At the top of page 23, to strike out:

NATIONAL CAPITAL HOUSING AUTHORITY  
OPERATION AND MAINTENANCE OF PROPERTIES

For the operation and maintenance of properties under title I of the District of Columbia Alley Dwelling Act, \$38,000: *Provided*, That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly: *Provided further*, That so long as funds are available from appropriations for the foregoing purposes, the provisions of section 507 of the Housing Act of 1950 (Public Law 475 81st Cong.), shall not be effective.

Under the heading "National Science Foundation—Salaries and Expenses", on page 23, line 20, after the word "exceed", to strike out "\$275,000" and insert "\$325,000"; in line 23, after the word "services", to strike out "\$115,000,000" and insert "\$140,000,000"; in line 24, after the word

"expended", to insert "of which \$1,890,000 shall be transferred to the Bureau of Public Roads, Department of Commerce, for construction of a secondary road to the Optical Astronomy Observatory on Kitt Peak in Arizona"; and on page 24, line 3, after the amendment just stated, to strike out the colon and "Provided, That of the foregoing amount not less than \$30,250,000 shall be available for tuition, grants, and allowances in connection with a program of supplementary training for high-school science and mathematics teachers."

Under the heading "Securities and Exchange Commission—Salaries and Expenses", on page 24, line 20, after the word "exceed", to strike out "\$230,000" and insert "\$260,000", and in line 24, after "(5 U. S. C. 55a)", to strike out "\$6,800,000" and insert "\$7,100,000."

Under the heading "Selective Service System—Salaries and Expenses", on page 25, line 13, after the word "Provided", to strike out "That of the foregoing amount \$20,196,000 shall be available for registration, classification, and induction activities of local boards: *Provided further.*"

Under the heading "Veterans Administration—General Operating Expenses", on page 26, line 11, after the word "law", to strike out "purchase of one passenger motor vehicle for replacement only at not to exceed \$4,000," and in line 19, after the word "employees", to strike out "\$147,500,000" and insert "\$149,582,000."

Under the subhead "Medical Administration and Miscellaneous Operating Expenses", on page 27, line 11, after the word "periodicals", to strike out "\$21,000,000" and insert "\$28,281,000", and in line 12, after the word "which", to strike out "\$10,344,000" and insert "\$17,144,000."

Under the subhead "Inpatient Care", on page 28, at the beginning of line 11, to strike out "\$715,465,000" and insert "\$717,267,000"; in line 20, after the word "of", to strike out "140,800" and insert "139,630", and in line 25, after the word "treatment", to insert a colon and "Provided further, That reimbursements received from non-Federal sources for care and treatment of patients provided by this appropriation shall be credited to miscellaneous receipts of the Treasury, and payments from the departments and agencies of the Government for such care and treatment may be made in advance, or by way of reimbursement, to this appropriation, as may be agreed upon by the Administrator and the head of the department or agency concerned."

Under the subhead "Outpatient Care", on page 29, line 14, after the word "employees", to strike out "\$75,000,000" and insert "\$75,798,000."

Under the subhead "Maintenance and Operation of Supply Depots", on page 29, line 20, after the word "employees", to strike out "\$2,000,000" and insert "\$2,110,000."

Under the subhead "Grants to the Republic of the Philippines", on page 31, line 21, after "(50 U. S. C. App. 1991-1996)", to insert "or, upon enactment into law of H. R. 6908, Eighty-fifth Congress, in accordance with part D of title

V of the Veterans' Benefits Acts of 1957," and on page 32, at the beginning of line 2, to strike out "\$1,000,000" and insert "\$1,250,000."

Under the subhead "Constitution of Hospital and Domiciliary Facilities", on page 32, line 10, after "(71 Stat. 141)", to strike out "\$19,145,000" and insert "\$19,445,000."

Under the subhead "Administrative Provisions", on page 33, line 19, after the word "unless" to insert "advance payment or", and in line 20, after the word "appropriation" to insert "or to miscellaneous receipts, as may be required by law."

Under the heading "Title II—Corporations—Limitation on Administrative Expenses, Federal Facilities Corporation", on page 40, line 8, after the word "exceed" to strike out "\$25,000" and insert "\$40,000."

Under the subhead "Limitation on Administrative Expenses, Reconstruction Finance Corporation Liquidation Fund", on page 40, line 23, after the word "exceed", to strike out "\$42,500" and insert "\$54,000."

Under the heading "Housing and Home Finance Agency—Limitation on Administrative Expenses, Office of the Administrator, Public Facility Loans", on page 42, line 9, after the word "exceed", to strike out "\$400,000" and insert "\$525,000."

Under the subhead "Limitation on Administrative Expenses, Office of the Administrator, Revolving Fund (Liquidating Programs)", on page 43, line 1, after the word "of", where it appears the first time, to strike out "costs of services performed on a contract or fee basis in connection with termination of contracts" and insert "expenses necessary in the case of defaulted obligations to protect the interests of the Government."

Under the subhead "Limitation on Administrative Expenses, Federal National Mortgage Association", on page 44, line 14, after the word "exceed", to strike out "\$125,000" and insert "\$150,000."

Under the subhead "Limitation on Administrative and Nonadministrative Expenses, Public Housing Administration", on page 46, line 14, after the word "exceed", to strike out "\$1,800,000" and insert "\$2,122,000."

Mr. MAGNUSON. Mr. President, in the Independent Offices appropriation bill for 1959, funds are included for 17 independent agencies.

The amount of the bill as reported to the Senate is \$6,137,248,900, which is a decrease of \$412,672,000 from the House version of the bill, and an increase of \$210,188,400 over the estimates.

The net decrease from the House bill results from increases totaling \$176,366,000 and decreases totaling \$589,038,000.

In recommending the deletion of the payment to the civil service retirement and disability fund of \$589 million, the committee has requested definite recommendations from the administration for keeping the fund current and for providing on a sound basis for the future liabilities of the Government to the beneficiaries. The committee also recommended the deletion of the language which would require an appropriation to

cover the increased costs of annuity benefits before such increased benefits could be paid.

The committee has agreed with other increases over the estimates, for repair and improvement, sites and expenses and construction of public buildings, for inpatient care and construction of Veterans hospitals. The committee has added further amounts over the estimates in those same fields, and has recommended funds for starting an up-grading program of stockpile materials, for expanding medical research in the Veterans' Administration, and for continuation of farm housing research.

On the issue of lease-purchase contracts, the committee recommends direct appropriations for 68 projects which can be put under construction during 1959, and recommends discontinuance of purchase contracts except for those now under construction and authorization for a 10-year contract at Sacramento, Calif. That was a very unusual case. The city of Sacramento had already sold its bonds and obligated itself in large amount.

Construction is also recommended of the United States Mission Building in New York and Federal Office Building No. 6 in the District of Columbia, as well as planning funds for Federal Office Building No. 7 in the District of Columbia.

Building No. 6 is the general office building to be constructed in southwest Washington. Building No. 7 is the so-called Jackson Square project, to be located near the White House.

Consolidation of delegated functions for civil defense activities is included for the first time under the Federal Civil Defense Administration. Similar consolidation of delegated functions for mobilization activities is to be considered next year under the general Government matters bill.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MANSFIELD. Mr. President, during the course of the hearings on the independent offices appropriation bill I appeared before the Senate Appropriations Subcommittee headed by the distinguished senior Senator from Washington [Mr. MAGNUSON] and discussed the need for the expansion and modernization of the veterans hospital center at Fort Harrison, Mont.

Fort Harrison is an excellent hospital and has one of the finest records in serving the veterans of this country. However, the hospital is sorely in need of modernization and new facilities. For the past 25 years Montana's congressional delegations have been working closely with the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans in attempting to get these facilities improved. Until our efforts were joined with those of the distinguished chairman of the House Veterans' Affairs Committee, Mr. TEAGUE, we were unable to convince the Veterans' Administration that they should schedule a survey of Fort Harrison's needs prior to 1962. With Mr. TEAGUE's able assistance we have now been advised that the survey has been rescheduled for fiscal year 1959.

My purpose in appearing before the Senate Appropriations Committee was to ask for modernization funds at this time because of the tremendous backlog of construction funds, \$105 million. I had hoped that the report on H. R. 11574 would have included language expressing the committee's approval of this earlier date for the survey; in fact, I had hoped that the report would recommend that the survey team be sent out to Fort Harrison this fall or very early in the new fiscal year.

My Montana colleagues, the senior Senator, Mr. MURRAY, and Representatives LEE METCALF and LEROY ANDERSON, felt that congressional recognition of this need at Fort Harrison would be an additional assurance that the modernization of this VA center would be undertaken at an early date.

Mr. President, I should like to take this opportunity to ask the chairman of the Independent Office Appropriations Subcommittee if he would be so kind as to express the views of the committee on this matter.

Mr. MAGNUSON. I appreciate the interest of the junior Senator from Montana, and, of course, that of the senior Senator from Montana [Mr. MURRAY], who has had a great interest in this project. I should like to read into the RECORD, so it will be clear, the statements appearing on page 440 of the hearings on the independent offices appropriations bill. The Senator from Illinois [Mr. DIRKSEN] was acting as chairman at the time.

Senator DIRKSEN. Mr. Whittier, Senator MANSFIELD appeared before the committee earlier today with respect to renovation of the hospital at Fort Harrison, Mont. Is there something you or one of your associates would want to say for the record on that?

Mr. WHITTIER. Well, in general, let me suggest that we do have a rather large hospital modernization and construction program. I think this fiscal year we will expend some \$65 million in construction and modernization, and next year at least \$50 million and probably more. This is more than has been spent in any recent year.

Fort Harrison is a very old hospital, I think about 1885, an old cantonment type.

Dr. MIDDLETON. A cavalry post at one time.

Mr. WHITTIER. I do know we have made some repairs, but no total modernization is immediately in the offing. Am I correct?

Dr. MIDDLETON. There is an onsite review scheduled for September of this year.

I may point out to the Senators from Montana that September is not the correct date. As I understand from the Veterans' Administration, a review is being made now. The Veterans' Administration is going to prepare and submit a report which will include this matter in the modernization plan. Funds could be included for the work in a supplemental appropriation bill, but, if not, they surely would be included in the Veterans' Administration hospital appropriation.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. We were told the administration was pushing the matter forward a whole year.

Mr. MAGNUSON. The Senator from Massachusetts is correct. Although Mr.

Whittier said a review was scheduled for September, it was moved up ahead of schedule. I understand that is being done now.

Mr. MANSFIELD. So the possibility is that a site survey will be made at Fort Harrison at least by September of this year?

Mr. MAGNUSON. Yes, that is my understanding.

Mr. MANSFIELD. I wish to thank the Senator from Washington, and to say to him, on behalf of myself and my senior colleague [Mr. MURRAY], who has been the leader in the fight ever since he has been in the Senate to get something done about Fort Harrison, that this is the first encouraging sign we have had.

I think that the recognition of the importance of the project has been due to the personal interest taken by the gentleman from Texas, Representative TEAGUE, as well as the personal interest taken by the Senator from Washington [Mr. MAGNUSON], and the Senator from Illinois [Mr. DIRKSEN], who showed himself to be very reasonable in this matter and took it up with Mr. Whittier during the course of the hearings. I am glad to know that the survey at Fort Harrison is being undertaken at the present time, or that it will be at most a few weeks before it is undertaken, according to Mr. Whittier.

Mr. MAGNUSON. Yes. I hope he will come forward with something before Congress adjourns.

Mr. MANSFIELD. I hope he will read the RECORD and act accordingly, because I should like to see something done with reference to this worthwhile veterans' facility.

Mr. POTTER. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. POTTER. I wish to commend the chairman for the vision he has shown in providing additional funds for the research program of the Veterans' Administration, which has been in progress for 2 or 3 years. The results from the research which has already taken place are very worthwhile. I think it is well to point out that this is probably the only program in the world in connection with which records of men in hospitals in every section of the country are kept for purposes of research. Such records serve as a laboratory for all types of research. The research conducted by the Veterans' Administration is coordinated very closely with the research of the Public Health Service.

I hope that in conference the House will see fit to go along with the recommendations made by the committee.

Mr. MAGNUSON. Mr. President, the Senator from Michigan has been very active for many reasons with respect to the Veterans' Administration medical research. He has been active for personal reasons, in addition to humanitarian reasons. I know of no one who has done more for the unfortunate veterans who have suffered wounds similar to those of the Senator from Michigan, than the Senator from Michigan. The

Senator is to be commended for his actions.

We started the program a couple of years ago. In a previous year the Senator from Illinois, the Senator from North Dakota, and all of us on the subcommittee joined in the effort to have \$10 million added to the appropriation bill then pending on the floor of the Senate. The House accepted that action, and a great research program was started. I think it will pay off in dollars and cents.

Mr. POTTER. I am sure it will.

Mr. MAGNUSON. I do not think it can be said we were taking action haphazardly. Our action will result in the saving of money, while the program will relieve misery and save lives in the long run.

Mr. POTTER. I know the Senator will concur in the statement that when the Veterans' Administration testified before the committee as to the program now underway we were all greatly encouraged by the type of leadership evidenced in the research projects the Senator mentions. These projects will pay great dividends in dollars and cents, to say nothing of the humanitarian aspects.

Mr. MAGNUSON. They will reduce misery and alleviate human suffering.

Mr. President, I move that the committee amendments be considered en bloc.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

The PRESIDING OFFICER. The question is on agreeing en bloc to the committee amendments which have been stated.

Mr. MAGNUSON. Mr. President, I move that the committee amendments be agreed to en bloc.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MAGNUSON. Mr. President, as chairman, I have two amendments to offer. I have discussed the amendments with the Senator from Illinois [Mr. DIRKSEN] and the Senator from Massachusetts [Mr. SALTONSTALL]. The amendments will carry out the intention of the committee stated in the report.

The committee recommended \$14,750,000 for the construction of Federal Office Building No. 6 in the District of Columbia. Inadvertently the amount was included in the item for construction of public buildings projects outside the District of Columbia. We do not want that to happen, so I am offering the amendment to remove the item from that section of the bill and to make it a separate item.

The change can be accomplished on page 12, line 2, by striking out "\$196,566,000" and inserting in lieu thereof "\$181,816,000."

I offer the amendment, Mr. President, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 12, line 2, it is proposed to strike out "\$196,566,000" and insert in lieu thereof "\$181,816,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I offer a second amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 12, after line 24, it is proposed to insert a new paragraph, as follows:

CONSTRUCTION, FEDERAL OFFICE BUILDING NO. 6  
WASHINGTON, D. C.

For construction of Federal Office Building No. 6 in Washington, D. C., pursuant to the provisions of the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341), \$14,750,000, to remain available until expended.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. DIRKSEN. Mr. President, I offer an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The CHIEF CLERK. On page 12, line 14, it is proposed to strike out after the word "purposes" down to and including line 24, and insert the following:

*Provided, That hereafter, except for projects located at Atlanta, Ga.; Rock Island, Ill.; Council Bluffs, Iowa; Kansas City, Kans.; Burlington, Iowa; Albuquerque, N. Mex.; Sacramento, Calif.; Brunswick, Ga.; Sedan, Kans.; Jonesboro, La.; Lake Charles, La.; Redwood Falls, Minn.; Biloxi, Miss.; Greenville, Miss.; Laurel, Miss.; Omaha, Nebr.; Durham, N. H.; Manning, S. Car.; Sisseton, S. Dak.; Kingsport, Tenn.; Gainesville, Tex.; McKinney, Tex.; Huntington, W. Va.; Green Bay, Wis.; Marshallfield, Mo.; Terrell, Tex.; Mount Hope, W. Va.; Benton, Ill.; Burlington, Vt.; no part of any funds in this or any other act shall be used for payment for sites, planning, or construction of any buildings by lease-purchase contracts: *Provided, further, That the Administrator of General Services may enter into a 10-year contract for the project at Sacramento, Calif., during the fiscal year 1959, for which the annual payment for amortization of principal and interest thereon shall not exceed \$1,250,600.**

Mr. DIRKSEN. Mr. President, one of the most difficult things in the consideration of the bill was to effect a transition from the lease-purchase program to direct appropriation of funds for Federal buildings. The General Services Administration had previously entered into contracts for a very substantial number of buildings, and had legal authority to do so. The Lease-Purchase Contract Act, however, has expired.

The House of Representatives made a special point and rather insisted, as indicated in the hearings, that House Members much preferred the direct appropriation procedure for the public buildings program.

In trying to work out the transition, the Senate committee finally recommended, although my views were contrary, that we concur with the House so far as direct appropriations for this program were concerned. We were presented with a difficulty, however. We forgot to emphasize that the General Services Administration had entered into contracts with financial institutions, such as insurance companies, for 22 projects.

As the bill now stands, we have made exception for only 7 projects, rather than 29 projects. This would mean the Federal Government would be in the position, by the fiat of the legislative branch, of breaching the contracts and subjecting the Government to possible damage suits, including a possible potential claim for the entire profit in the deal, which might run over a period of 10 or 20 years. I have some doubt whether the President would find himself in a position to sign a bill of that kind, if by his signature he were definitely to be projecting the Government into a posture of breaching existing contracts made in good faith by an executive agency with legal authority to do so.

The amendment, therefore, proposes language which was submitted by the subcommittee, to expand the 7 projects and include in the entirety 29 projects. The difference would be a little more than \$29 million in the overall amount for direct appropriation, and that amount can be deducted from the gross amount for direct appropriation in the bill.

The amendment will make the program workable. The amendment will save the Government whole and harmless against any possible suits under the contracts, and at the same time will make it possible to proceed forthwith with the construction contracts which have already been entered into by the General Services Administration.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I was one of the members of the subcommittee who joined with the Senator from Illinois in opposing the ending of the lease-purchase formula. However, we were defeated. It was obviously the desire of the full committee to go ahead under the new formula of direct appropriations.

The amendment offered by the Senator from Illinois will make such a program possible by continuing the lease-purchase arrangement in respect to contracts already made for projects the construction of which has been started. With that exception, the number of buildings which have been authorized will proceed by direct appropriation.

As stated, I was opposed to the change in principle, but it was adopted. I think the amendment represents a very reasonable compromise under all the circumstances.

Mr. DIRKSEN. Mr. President, we have discussed this matter with the very affable chairman of the committee. The chairman is quite agreeable to the amendment.

Incidentally, I wish to say the chairman has always been very fair and entirely impartial in the consideration of the bill by the subcommittee. I feel, as ranking member, I should express our gratitude and appreciation for his attitude. I also wish to throw a special bouquet to our very capable and able clerk, Mr. Earl W. Cooper.

Mr. KUCHEL. Mr. President, both Senators from California are grateful for the fact that the members of the committee, apparently unanimously, saw fit to permit the city of Sacramento to proceed with its lease-purchase contract, for a number of reasons, one of which, as the Senator well knows, that the city, with Federal Government approval, had gone forward with the sale of bonds to accumulate the moneys by which the lease-purchase project might come into being. We are both most grateful for the action of the committee, by reason of those unique circumstances.

I should like to ask a question merely for the RECORD. As I understand, the amendment which the able Senator from Illinois has now offered in no sense touches the special situation with respect to the city of Sacramento.

Mr. DIRKSEN. That is correct.

Mr. KUCHEL. I thank the Senator.

Mr. President, the members of the committee have dealt generously, and, in my judgment, honorably, with the city of Sacramento. As a part of the RECORD, I ask unanimous consent that a copy of my letter of April 25, 1958, addressed to the distinguished senior Senator from Washington [Mr. MAGNUSON] be inserted in the RECORD at this point, together with a telegram which I have received from the chairman of the Redevelopment Agency of the city of Sacramento under date of June 6.

There being no objection, the letter and telegram were ordered to be printed in the RECORD, as follows:

UNITED STATES SENATE,  
COMMITTEE ON INTERIOR  
AND INSULAR AFFAIRS,  
April 25, 1958.

The Honorable WARREN G. MAGNUSON,  
Chairman, Independent Offices Ap-  
propriation Subcommittee, Appro-  
priations Committee, United States  
Senate, Washington, D. C.

DEAR SENATOR MAGNUSON: During your consideration of the Independent Offices Appropriation bill for 1959, I direct your attention to a problem involving the city and county of Sacramento, Calif.

The Redevelopment Agency of the city of Sacramento has been developing as a unit, project area No. 2-A, which they plan to complete by 1962. In large part, the financing of the urban renewal and redevelopment portion of the project is covered by a loan and grant contract from the Housing and Home Finance Agency.

Included in the project is a Federal office building, which has been approved by the Federal Government under the terms of the Public Building Purchase Contract Act of 1954, for a 25-year contract. To finance this Federal office building, the Redevelopment Agency of the city of Sacramento, beginning in 1956, sold bonds in the amount of \$2 million, and pledged exclusively to the payment of interest and principal on these bonds all taxes hereafter collected in the project area by the county of Sacramento, the city of Sacramento, and every other taxing agency, on any increase in the

assessed valuation in the area over that shown by the assessment rolls for the base year of 1955-56. I understand the statutory procedure under which this is done is unique to the State of California, and thus far has been exercised only by the city of Sacramento.

The problem to which I refer arises in connection with the Independent Offices Appropriation bill for 1959 (H. R. 11574). As the bill comes to the Senate from the House, a direct appropriation of \$117,255,000 is added for the construction of 66 of the public buildings projects which have been approved by the Public Works Committees, and a proviso prohibits payment on lease purchase contracts except for buildings used solely for post office purposes. The Federal office building for Sacramento is included in this item at a cost of \$10,026,000 in direct appropriations.

I realize that is a matter for decision by your committee, whether, in each instance to construct Federal buildings by direct appropriation as opposed to lease-purchase contracts. But should you decide to concur in the direct-appropriation method, then the bonds sold by the redevelopment agency of the city of Sacramento would be without the proposed tax revenue, estimated at \$122,000 annually, with which to make the payments on principal and interest. On this equitable basis, I believe an exception in the case of the city of Sacramento ought to be considered, and that that community be permitted the lease-purchase procedure which it undertook in good faith to carry out.

The General Services Administration has informed me that this is the only instance in which procurement of a site from a local, public redevelopment agency was proposed. This is the only instance where the local redevelopment agency has actually sold bonds to the public under the circumstances outlined in this letter.

In view of the commitments which have been made by the redevelopment agency of the city of Sacramento, in reliance on the approval of the project by the General Services Administration, and the approval of the House and Senate Committees on Public Works, it is urgently requested that your committee permit this project to continue under the purchase contract arrangements contemplated under the Public Buildings Purchase Contract Act of 1954.

Sincerely,

THOMAS H. KUCHEL,  
United States Senator.

SACRAMENTO, CALIF., June 6, 1958.

HON. THOMAS H. KUCHEL,

United States Senate, Washington, D. C.:

As you know from our previous expressions of concern with respect to this matter, it had been our hope that the Sacramento Federal Office Building and Courthouse could have proceeded under the 25-year lease-purchase method as contemplated by the Federal Government during the past 2 years. It was in anticipation of such a method of construction and purchase that the Sacramento redevelopment bond issue was floated and sold to the public in 1956. Your consistent support for the lease-purchase construction of this important Sacramento building and the earnest support of your colleagues therefore is deeply appreciated by all of us. I understand now that congressional approval for the full 25-year period of lease-purchase acquisition is highly improbable but that through the representations and through the pursuit of our interests by you and your colleagues it may now be possible to obtain a 10-year lease-purchase program for the Sacramento building. This possible alternative procedure has been discussed with the members of this redevelopment agency, with other concerned public officials in Sacramento, and with our financial consultants. While

we would of course have to serve the 25-year arrangement, nevertheless, it is our studied conclusion that we unequivocally endorse and support this alternative arrangements of the Senate Committee and urge that you in turn express your support and endorsement to the various Members of the Senate concerned. Thank you for your continued diligent support of our public objectives in this important field.

FRED W. READ,  
Chairman, Redevelopment Agency  
of the City of Sacramento.

Mr. DIRKSEN. Mr. President, what the distinguished Senator from California says underscores how difficult it is for the Congress to try to effectuate transition from one type of program to another without knowing in every instance what the effects and implications are to be.

In this particular case the city of Sacramento had already issued its bonds. They cannot be returned. Interest continues on the bonds. The city of Sacramento would have found itself in a very hopeless position if this situation had not been cured; but it will be taken care of by the language of the amendment which has been offered by the Senator from Illinois.

Mr. MAGNUSON. Mr. President, I thank the Senator from Illinois for his very kind remarks. I wish to add my tribute to our very efficient clerk, Mr. Cooper, for his work on a very complicated and involved bill, which requires a great deal of time and effort.

At the appropriate point I shall offer an amendment on page 12, line 2, to strike out \$181,816,000 and insert in lieu thereof \$152,810,000, which would take care of the purposes of the amendment of the Senator from Illinois.

Mr. DIRKSEN. Mr. President, the purpose of the amendment to be offered by the distinguished chairman is merely to compensate the direct appropriation by reducing it in the amount which will be provided by lease-purchase funds.

The PRESIDING OFFICER. Is the Chair to understand that the Senator from Washington is offering a substitute amendment?

Mr. DIRKSEN. No. It will be considered separately, after the disposition of the amendment now pending. It is necessary to reduce the direct appropriation by roughly \$29.1 million.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN].

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I offer an amendment, on page 12, line 2, to strike out "\$181,816,000" and insert in lieu thereof "\$152,810,000."

The PRESIDING OFFICER. Without objection, the vote by which the previous amendment on page 12, line 2, was agreed to, will be reconsidered.

Mr. MAGNUSON. Mr. President, I now offer my amendment, on page 12, line 2, to strike out "\$181,816,000" and insert in lieu thereof "\$152,810,000."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington.

The amendment was agreed to.

Mr. MAGNUSON. Mr. President, I address these remarks particularly to the Senator from Illinois [Mr. DIRKSEN], the Senator from Massachusetts [Mr. SALTONSTALL], and the Senator from North Dakota [Mr. YOUNG], who are all members of the committee.

As shown by the report, the committee was impressed by the fact that there are large quantities of chrome ore stockpiled in various places in the West, in Kentucky, and in New York. There is an opportunity to convert these ores into a material usable by industry.

To begin the program the committee recommended an appropriation of \$10.5 million. The time to convert such ores is when the plant capacity, manpower, and electric power are available.

In the report, on page 8, under the heading "Strategical and Critical Materials," the committee said:

The committee is also advised that there are materials in the stockpile of subspecification grade which should be upgraded for use as specification grade material, and furthermore, that there are materials of specification grade which perhaps should be upgraded to another form.

When we speak of "specification grade" in the committee report, we are speaking of commercial specification grade. There might be room for some misinterpretation. The committee refers to usability in the commercial market. I wish to make that clear. In that particular case the committee means commercial specification grades which are usable in regular industry.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MANSFIELD. I had known about this part of the Independent Offices Appropriation bill, but I invite the Senator's attention to the fact that the Montana manganese plant, at Butte, Mont., has on hand in the stockpile something on the order of a \$9 million investment by the Government. Unfortunately, one of the attributes of manganese is that if it remains in the stockpile, exposed to the open air, it deteriorates.

I tried to get Mr. Gordon Gray's agency, the Office of Defense Mobilization, to spend the necessary funds to beneficiate this manganese. So far I have achieved no success. Would it be possible, in view of the statement in the report, for the Office of Defense Mobilization, under Mr. Gordon Gray, to become seriously interested in upgrading or beneficiating the domestic stockpile of the Montana manganese plant, in Butte, Mont.?

Mr. MAGNUSON. Not only would it be possible, but, as the Senator from Illinois has stated, that is exactly what we intended. There are also stockpiles of ferro-chrome in Montana.

Mr. MANSFIELD. That is correct.

Mr. MAGNUSON. There are stockpiles of manganese, and other metals. It makes commonsense to upgrade this material, which we own, and put it in a condition in which it can be stored almost indefinitely. We shall have to do so anyway, if we intend to use the material. We should do it at a time

when plant capacity, manpower, and electric power are available.

The Senator from Montana has stated exactly what we intended. We started modestly. We cannot do everything at once, but the Office of Defense Mobilization, under Mr. Gordon Gray, has stated that, under the directive in the law, he could not go further than actual stockpiling. I believe Mr. Gray will welcome this provision. It makes good commonsense.

Mr. MANSFIELD. But it does apply to the Montana manganese stockpile in Butte, Mont., does it not?

Mr. MAGNUSON. It applies to Montana.

The first work under the program will probably be in connection with ferrochrome, because that deteriorates more rapidly. Next in order should be manganese, which would apply to the Montana situation.

Mr. MANSFIELD. I am delighted to have this assurance. I will take the matter up with Mr. Gray at the earliest opportunity, to see if he will not benefitiate the manganese stockpile in Butte, Mont.

Mr. MAGNUSON. It makes good commonsense.

Mr. DIRKSEN. Mr. President, as I recall, the President's Cabinet committee made an affirmative recommendation with respect to the beneficiation of critical and strategic materials in the stockpile. As the chairman points out, they can be more expeditiously used when they are beneficiated; and I believe there will be a substantial reduction in the storage cost. So, with everyone agreed as to what should be done, it was only a question of money. It is our understanding that this program will cost, roughly \$21 million. So we have included half the amount in the pending bill. If, early next year, it becomes necessary to provide more, the agency can always submit a supplemental request through the Budget Bureau, so that the work can be carried to completion.

Mr. MANSFIELD. Mr. President, I am very much pleased with the unanimous action of the committee and the Senate in this respect. I certainly hope something will be done to bring about beneficiation of these ores.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time, and passed.

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. MAGNUSON. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

Mr. MAGNUSON. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House thereon, and that the Chair

appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. MAGNUSON, Mr. HILL, Mr. ELLENDER, Mr. ROBERTSON, Mr. RUSSELL, Mr. McCLELLAN, Mr. DIRKSEN, Mr. SALTONSTALL, Mr. MUNDT, Mr. POTTER, and Mr. YOUNG conferees on the part of the Senate.

## SMALL BUSINESS INVESTMENT ACT OF 1958

Mr. JOHNSON of Texas. Mr. President, I move that the Senate proceed to the consideration of Calendar 1683, S. 3651.

The PRESIDING OFFICER (Mr. PROXMIER in the chair). The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (S. 3651) to make equity capital and long-term credit more readily available for small business concerns, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Texas.

The motion was agreed to, and the Senate proceeded to consider the bill, which had been reported from the Committee on Banking and Currency with an amendment to strike out all after the enacting clause and insert:

### TITLE I—SHORT TITLE, STATEMENT OF PURPOSE, AND DEFINITIONS

#### Short title

SEC. 101. This act, divided into titles and sections according to the following table of contents, may be cited as the "Small Business Investment Act of 1958."

#### Table of contents

#### Title I—Short Title, Statement of Policy, and Definitions

- Sec. 101. Short title.
- Sec. 102. Statement of policy.
- Sec. 103. Definitions.

#### Title II—Small Business Investment Division of the Small Business Administration

- Sec. 201. Establishment of Small Business Investment Division.
- Sec. 202. Provision of funds.
- Sec. 203. Purposes of revolving fund.

#### Title III—Small Business Investment Companies

- Sec. 301. Organization of small business investment companies.
- Sec. 302. Capital stock and subordinated debentures.
- Sec. 303. Borrowing power.
- Sec. 304. Provision of equity capital for small-business concerns.
- Sec. 305. Long-term loans to small-business concerns.
- Sec. 306. Aggregate limitations.
- Sec. 307. Exemptions.
- Sec. 308. Tax provisions.
- Sec. 309. Miscellaneous.
- Sec. 310. Approving State chartered companies for operations under this act.

#### Title IV—Conversion of State Chartered Investment Companies and State Development Companies

#### Title V—Loans to State and Local Development Companies

#### Title VI—Changes in Federal Reserve Authority

- Sec. 601. Repeal of section 13b of Federal Reserve Act.
- Sec. 602. Fund for management counseling.

## Title VII—Criminal Penalties

### Statement of policy

SEC. 102. It is declared to be the policy of the Congress and the purpose of this act to improve and stimulate the national economy in general and the small-business segment thereof in particular by establishing a program to stimulate and supplement the flow of private equity capital and long-term loan funds which small-business concerns need for the sound financing of their business operations and for their growth, expansion, and modernization, and which are not available in adequate supply: *Provided, however,* That this policy shall be carried out in such manner as to insure the maximum participation of private financing sources.

It is the intention of the Congress that the provisions of this act shall be so administered that any financial assistance provided hereunder shall not result in a substantial increase of unemployment in any area of the country.

### Definitions

SEC. 103. (a) As used in this act—

- (1) the term "Administration" means the Small Business Administration;
- (2) the term "Administrator" means the Administrator of the Small Business Administration;
- (3) the term "company" means a small-business investment company organized as provided in title III;
- (4) the term "United States" means the several States, the Territories of Alaska and Hawaii, the District of Columbia, and the Commonwealth of Puerto Rico;
- (5) The term "small-business concern" shall have the same meaning as in the Small Business Act of 1953.
- (6) the term "investment companies" means investment companies as defined in section 3 of the Investment Company Act of 1940 which are subject to the provisions of that Act; and
- (7) the term "State and local development companies" means enterprises incorporated under State law with the authority to promote and assist the growth and development of small-business concerns in the areas covered by their operations.

### TITLE II—SMALL BUSINESS INVESTMENT DIVISION OF THE SMALL BUSINESS ADMINISTRATION

#### Establishment of Small Business Investment Division

SEC. 201. There is hereby established in the Small Business Administration a division to be known as the Small Business Investment Division. The division shall be headed by a Deputy Administrator, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate provided by law for other deputy administrators of the Small Business Administration. The powers conferred by this Act upon the Administration shall be exercised by the Administration through the Small Business Investment Division, and the powers herein conferred upon the Administrator shall be exercised by him through the Deputy Administrator appointed hereunder. In the performance of, and with respect to the functions, powers, and duties vested in him by this Act, the Administrator shall (in addition to any authority otherwise vested in him by this Act) have the functions, powers, and duties set forth in sections 205 and 206 of the Small Business Act of 1953.

### Provision of funds

SEC. 202. (a) In order to finance activities as provided in section 203, the Administration is authorized and empowered to issue to the Secretary of the Treasury notes and other obligations in an amount not exceeding \$250,000,000 outstanding at any one time: *Provided,* That the total amount of such notes and other obligations which may be

85<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 11574

---

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 1958

Ordered to be printed with the amendments of the Senate numbered

---

## AN ACT

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       That the following sums are appropriated, out of any money  
4       in the Treasury not otherwise appropriated, for sundry  
5       independent executive bureaus, boards, commissions, cor-  
6       porations, agencies, and offices, for the fiscal year ending  
7       June 30, 1959, namely:

## TITLE I—INDEPENDENT OFFICES

## CIVIL SERVICE COMMISSION

## SALARIES AND EXPENSES

For necessary expenses, including not to exceed \$22,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a) ; not to exceed \$10,000 for medical examinations performed for veterans by private physicians on a fee basis; not to exceed \$100 for the purchase of newspapers and periodicals (excluding scientific, technical, trade or traffic periodicals, for official use) ; payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; not to exceed \$70,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767) ; reimbursement of the General Services Administration for security guard services for protection of confidential files; not to exceed \$472,000 for expenses of travel; and not to exceed \$5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; \$18,200,000.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order 9358 of July 1, 1943.

1 INVESTIGATION OF UNITED STATES CITIZENS FOR EM-  
2 PLOYMENT BY INTERNATIONAL ORGANIZATIONS

3 For expenses necessary to carry out the provisions of  
4 Executive Order No. 10422 of January 9, 1953, as amended,  
5 prescribing procedures for making available to the Secretary  
6 General of the United Nations, and the executive heads of  
7 other international organizations, certain information con-  
8 cerning United States citizens employed, or being considered  
9 for employment by such organizations, including services as  
10 authorized by section 15 of the Act of August 2, 1946  
11 (5 U. S. C. 55a), \$350,000: *Provided*, That this appro-  
12 priation shall be available for advances or reimbursements  
13 to the applicable appropriations or funds of the Civil Service  
14 Commission and the Federal Bureau of Investigation for  
15 expenses incurred by such agencies under said Executive  
16 order: *Provided further*, That members of the International  
17 Organizations Employees Loyalty Board may be paid actual  
18 transportation expenses, and per diem in lieu of subsistence  
19 authorized by the Travel Expense Act of 1949, as amended,  
20 while traveling on official business away from their homes or  
21 regular places of business, including periods while en route  
22 to and from and at the place where their services are to be  
23 performed: *Provided further*, That nothing in sections 281 or  
24 283 of title 18, United States Code, or in section 190 of the  
25 Revised Statutes (5 U. S. C. 99) shall be deemed to apply

1 to any person because of appointment for part-time or inter-  
2 mittent service as a member of the International Organiza-  
3 tions Employees Loyalty Board in the Civil Service Com-  
4 mission as established by Executive Order 10422, dated  
5 January 9, 1953, as amended.

6 **(1) PAYMENT TO CIVIL SERVICE RETIREMENT AND DIS-**  
7 **ABILITY FUND**

8 For financing the liability of the United States, created  
9 by the Act approved May 22, 1920, and Acts amendatory  
10 thereof (~~5 U. S. C., ch. 30~~), \$589,000,000, which amount  
11 shall be placed to the credit of the civil-service retirement  
12 and disability fund: *Provided*, That no part of the appropria-  
13 tions herein made and no part of the moneys now or here-  
14 after contained in the civil-service retirement and disability  
15 fund shall be applied toward the payment of any increase  
16 in annuity benefits or any new annuity benefits under the  
17 Act approved May 22, 1920, and Acts amendatory thereof  
18 (~~5 U. S. C., ch. 30~~) which may be authorized by amend-  
19 ment to said Acts after the enactment of this Act until and  
20 unless an appropriation is made to such fund in an amount  
21 estimated by the Civil Service Commission to be sufficient  
22 to prevent an immediate increase in the unfunded accrued  
23 liability of said fund.

1 ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES  
2 AND LIGHTHOUSE SERVICE WIDOWS

3 For payment of annuities authorized by the Act of  
4 May 29, 1944, as amended (48 U. S. C. 1373a), and the  
5 Act of August 19, 1950 (64 Stat. 465), \$2,300,000.

6 LIMITATION ON ADMINISTRATIVE EXPENSES, EM-  
7 PLOYEES' LIFE INSURANCE FUND

8 Not to exceed \$123,800 of the funds in the "Employees'  
9 Life Insurance Fund" shall be available for reimbursement  
10 to the Civil Service Commission for administrative expenses  
11 incurred by the Commission during the current fiscal year  
12 in the administration of the Federal Employees' Group Life  
13 Insurance Act.

14 FEDERAL CIVIL DEFENSE ADMINISTRATION  
15 OPERATIONS

16 For necessary expenses, not otherwise provided for,  
17 in carrying out the provisions of the Federal Civil De-  
18 fense Act of 1950, as amended (50 U. S. C., App. 2251-  
19 2297), including services as authorized by section 15 of  
20 the Act of August 2, 1946 (5 U. S. C. 55a); reim-  
21 bursement of the Civil Service Commission for full field  
22 investigations of employees occupying positions of critical  
23 importance from the standpoint of national security; ex-

1 penses of attendance at meetings concerned with civil defense  
 2 functions; reimbursement of the General Services Adminis-  
 3 tration for security guard services; not to exceed ~~(2)\$6,000~~  
 4 ~~\$10,000~~ for the purchase of newspapers, periodicals, and  
 5 teletype news services; not to exceed ~~(3)\$815,000~~ \$1,050,-  
 6 000 for expenses of travel; and not to exceed \$6,000 for  
 7 emergency and extraordinary expenses to be expended under  
 8 the direction of the Administrator for such purposes as he  
 9 deems proper, and his determination thereon shall be final and  
 10 conclusive; ~~(4)\$18,250,000~~ \$21,915,000: *Provided, That*  
 11 ~~(5)\$250,000~~ \$2,915,000 of the foregoing amount shall be  
 12 available to discharge civil defense responsibilities delegated  
 13 to other Federal agencies under the authority of section 201  
 14 (b) of the Federal Civil Defense Act of 1950, as amended.

#### 15 EMERGENCY SUPPLIES AND EQUIPMENT

16 For expenses necessary for warehousing and mainte-  
 17 nance of emergency civil defense materials as authorized by  
 18 subsection (h) of section 201 of the Federal Civil Defense  
 19 Act of 1950, as amended, \$18,000,000.

#### 20 RESEARCH AND DEVELOPMENT

21 For expenses, not otherwise provided for, necessary for  
 22 studies and research to develop measures and plans for  
 23 evacuation, shelter, and the protection of life and property,  
 24 as authorized by section 201 (d) of the Federal Civil De-  
 25 fense Act of 1950, as amended, including services as au-

1 thorized by section 15 of the Act of August 2, 1946 (5  
2 U. S. C. 55a), ~~(6) \$2,000,000~~ \$3,000,000, to remain avail-  
3 able until expended.

4 No part of any appropriation in this Act shall be avail-  
5 able for the construction of warehouses or for the lease of  
6 warehouse space in any building which is to be constructed  
7 specifically for the use of the Federal Civil Defense Adminis-  
8 tration.

## 9 FEDERAL COMMUNICATIONS COMMISSION

### 10 SALARIES AND EXPENSES

11 For necessary expenses in performing the duties of the  
12 Commission as authorized by law, including newspapers  
13 (not to exceed \$200), land and structures (not to exceed  
14 \$120,000), special counsel fees, improvement and care of  
15 grounds and repairs to buildings (not to exceed \$15,400),  
16 services as authorized by section 15 of the Act of August  
17 2, 1946 (5 U. S. C. 55a), purchase of not to exceed three  
18 passenger motor vehicles for replacement only, and not to  
19 exceed \$107,470 for expenses of travel, \$8,900,000.

## 20 FEDERAL POWER COMMISSION

### 21 SALARIES AND EXPENSES

22 For expenses necessary for the work of the Commission,  
23 as authorized by law, including not to exceed ~~(7)\$350,000~~  
24 \$400,000 for expenses of travel; hire of passenger motor  
25 vehicles; and not to exceed \$500 for newspapers;

1 ~~(8)\$6,000,000~~ \$6,385,000, of which not to exceed \$10,000  
 2 shall be available for special counsel and services as author-  
 3 ized by section 15 of the Act of August 2, 1946 (5 U. S. C.  
 4 55a), but at rates not exceeding \$50 per diem for individ-  
 5 uals~~(9):~~ *Provided*, That not to exceed \$307,400 shall be  
 6 available for investigations relating to Federal river develop-  
 7 ment projects.

## 8 FEDERAL TRADE COMMISSION

### 9 SALARIES AND EXPENSES

10 For necessary expenses of the Federal Trade Commis-  
 11 sion, including uniforms or allowances therefor, as authorized  
 12 by law (5 U. S. C. 2131), not to exceed \$700 for news-  
 13 papers, services as authorized by section 15 of the Act of  
 14 August 2, 1946 (5 U. S. C. 55a), and not to exceed  
 15 ~~(10)\$251,250~~ \$259,250 for expenses of travel, ~~(11)\$5,950,-~~  
 16 ~~000~~ \$6,000,000: *Provided*, That no part of the foregoing  
 17 appropriation shall be expended upon any investigation here-  
 18 after provided by concurrent resolution of the Congress until  
 19 funds are appropriated subsequently to the enactment of such  
 20 resolution to finance the cost of such investigation.

## 21 GENERAL ACCOUNTING OFFICE

### 22 SALARIES AND EXPENSES

23 For necessary expenses of the General Accounting Of-  
 24 fice, including newspapers and periodicals (not exceeding  
 25 \$500) ; rental or lease of office space in foreign countries

1 without regard to the provisions of section 3648 of the  
 2 Revised Statutes, as amended (31 U. S. C. 529) ; not to  
 3 exceed \$2,000,000 for expenses of travel; and services as  
 4 authorized by section 15 the Act of August 2, 1946 (5  
 5 U. S. C. 55a) ; \$37,000,000.

## 6 GENERAL SERVICES ADMINISTRATION

### 7 OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

8 For necessary expenses of real property management  
 9 and related activities as provided by law ; furnishings and equip-  
 10 ment; rental of buildings in the District of Columbia; restora-  
 11 tion of leased premises; moving Government agencies (includ-  
 12 ing space adjustments) in connection with the assignment, allo-  
 13 cation, and transfer of building space; acquisition by pur-  
 14 chase or otherwise and disposal by sale or otherwise of real  
 15 estate and interests therein; payments in lieu of taxes pur-  
 16 suant to the Act of August 12, 1955 (40 U. S. C. 521) ;  
 17 and not to exceed ~~(12)\$222,000~~ \$272,000 for expenses of  
 18 travel; ~~(13)\$133,039,000~~ \$138,089,000: *Provided*, That  
 19 this appropriation shall be available, without regard to sec-  
 20 tion 322 of the Act of June 30, 1932, as amended (40  
 21 U. S. C. 278a), with respect to buildings or parts thereof,  
 22 heretofore leased under the appropriation for "Emergency  
 23 operating expenses".

1 REPAIR AND IMPROVEMENT, FEDERALLY OWNED  
2 BUILDINGS

3 For expenses necessary for the repair, alteration, preser-  
4 vation, renovation, improvement, extension, equipment, and  
5 demolition of federally owned buildings and buildings oc-  
6 cupied pursuant to the Public Buildings Purchase Contract  
7 Act of 1954 (40 U. S. C. 356), not otherwise provided for,  
8 including grounds, approaches and appurtenances, wharves  
9 and piers, together with the necessary dredging adjacent  
10 thereto; acquisition of land as authorized by title III of the  
11 Act of June 16, 1949 (40 U. S. C. 297); not to exceed  
12 \$300,000 for expenses of travel; and care and safeguarding  
13 of sites acquired for Federal buildings; \$75,000,000, to re-  
14 main available until expended.

## 15 SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

16 For expenses necessary in connection with construction  
17 of approved public buildings projects not otherwise pro-  
18 vided for, including preparation of drawings and specifica-  
19 tions, by contract or otherwise; acquisition of sites, including  
20 soil investigations and tests; (14) *rental, alteration, and re-*  
21 *pair of temporary space required for activities displaced from*  
22 *buildings located on sites to be utilized for construction; res-*  
23 *toration of such space; moving Government agencies to such*  
24 *space or completed buildings; furnishings and equipment; not*  
25 to exceed \$200,000 for expenses of travel; administra-

tive expenses; and for preliminary planning of public  
 buildings projects; ~~(15)\$38,000,000~~ \$39,915,000, to remain  
 available until expended, and not to exceed \$500,000  
 of this amount shall be available for construction of  
 small public buildings projects outside the District of  
 Columbia pursuant to the Public Buildings Act of May 25,  
 1926, as amended (40 U. S. C. 341) : *Provided*, That any  
 unexpended balances of funds heretofore appropriated to  
 the General Services Administration for sites and expenses  
 or sites and planning shall be available for the purposes  
 hereinabove set forth and may be consolidated with this  
 appropriation ~~(16)~~: *Provided further*, That no part of such  
 funds shall be used during the current fiscal year for prepara-  
 tion of drawings and specifications, acquisition of sites, design,  
 planning, construction, or in any other manner for or in  
 connection with proposed Federal office building numbered  
 7 on square 167 in the District of Columbia (project num-  
 bered 3-DC-05, General Services Administration prospectus  
 submitted July 13, 1956) ~~(17)~~: *Provided further*, That not  
 to exceed \$130,000 of such funds may be deposited to the Ad-  
 ministrative Operations Fund in addition to the amount in-  
 cluded in the budget estimates for that purpose.

## CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

For construction of public buildings projects outside the  
 District of Columbia pursuant to the Public Buildings Act

1 of May 25, 1926, as amended (40 U. S. C. 341),  
 2 (18)\$177,255,000 \$152,810,000, to remain available until  
 3 expended(19), of which amount not to exceed \$700,000 shall  
 4 be available for site and construction costs for the project at  
 5 Milledgeville, Georgia.

# 6 PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS

7 For payments of principal, interest, taxes, and any other  
 8 obligations under contracts entered into pursuant to the Pub-  
 9 lic Buildings Purchase Contract Act of 1954 (40 U. S. C.  
 10 356) , \$310,900(20):*Provided, That hereafter no part of*  
 11 *any funds in this or any other Act shall be used for payment*  
 12 *for sites, planning or construction of any buildings by lease-*  
 13 *purchase contracts except buildings used solely for post*  
 14 *office purposes: Provided, That hereafter, except for projects*  
 15 *located at Atlanta, Georgia; Rock Island, Illinois; Council*  
 16 *Bluffs, Iowa; Kansas City, Kansas; Burlington, Iowa;*  
 17 *Albuquerque, New Mexico; Sacramento, California; Bruns-*  
 18 *wick, Georgia; Sedan, Kansas; Jonesboro, Louisiana; Lake*  
 19 *Charles, Louisiana; Redwood Falls, Minnesota; Biloxi, Mis-*  
 20 *sissippi; Greenville, Mississippi; Laurel, Mississippi; Omaha,*  
 21 *Nebraska; Durham, New Hampshire; Manning, South Caro-*  
 22 *lina; Sisseton, South Dakota; Kingsport, Tennessee; Gaines-*  
 23 *ville, Texas; McKinney, Texas; Huntington, West Virginia;*  
 24 *Green Bay, Wisconsin; Marshfield, Missouri; Terrell, Texas;*  
 25 *Mount Hope, West Virginia; Benton, Illinois; Burlington,*

1 *Vermont; no part of any fund in this or any other Act shall*  
2 *be used for payment for sites, planning or construction of*  
3 *any buildings by lease-purchase contracts: Provided further,*  
4 *That the Administrator of General Services may enter into a*  
5 *10-year contract for the project at Sacramento, California,*  
6 *during the fiscal year 1959, for which the annual payment*  
7 *for amortization of principal and interest thereon shall not*  
8 *exceed \$1,250,600.*

9 **(21)**CONSTRUCTION, FEDERAL OFFICE BUILDING NUM-  
10 BERED SIX, WASHINGTON, DISTRICT OF COLUMBIA

11 *For construction of Federal Office Building Numbered*  
12 *Six in Washington, District of Columbia, pursuant to the*  
13 *provisions of the Public Buildings Act of May 25, 1926, as*  
14 *amended (40 U. S. C. 341), \$14,750,000, to remain avail-*  
15 *able until expended.*

16 **(22)**CONSTRUCTION, UNITED STATES COURT OF CLAIMS  
17 AND FEDERAL OFFICE BUILDING, WASHINGTON, DIS-  
18 TRICT OF COLUMBIA

19 *For expenses necessary for preparation of plans and*  
20 *specifications for a building in Washington, District of*  
21 *Columbia, for use of the United States Court of Claims,*  
22 *and agencies of the executive branch of the Government,*  
23 *pursuant to the provisions of the Public Buildings Act of*  
24 *May 25, 1926, as amended (40 U. S. C. 341), \$1,200,000,*  
25 *to remain available until expended.*

1 (23) CONSTRUCTION, UNITED STATES MISSION BUILDING,  
2 NEW YORK, NEW YORK

3 For construction of a building in New York, New York,  
4 for use as the headquarters of the United States Mission  
5 to the United Nations, pursuant to the provisions of the  
6 Public Buildings Act of May 25, 1926, as amended (40  
7 U. S. C. 341), \$3,975,000, to remain available until  
8 expended.

9 OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

10 For necessary expenses of personal property manage-  
11 ment and related activities as authorized by law and not  
12 otherwise provided for; including not to exceed \$300 for the  
13 purchase of newspapers and periodicals; and not to exceed  
14 \$85,700 for expenses of travel; (24) ~~\$3,360,000~~ \$3,560,-  
15 000: Provided, That (25) not to exceed \$1,865,000 of any  
16 funds received during the current or preceding fiscal year for  
17 deposit under section 204 (a) of the Federal Property and  
18 Administrative Services Act of 1949, as amended, and not  
19 otherwise disposed of by law, shall be deposited to the credit  
20 of this appropriation and shall be available for necessary  
21 expenses in carrying out the functions of the General  
22 Services Administration under the said Act, with respect to  
23 the utilization and disposal of excess and surplus personal  
24 property, including not to exceed \$145,000 for expenses of  
25 travel.

## EXPENSES, SUPPLY DISTRIBUTION

For expenses, not otherwise provided, necessary for operation of the stores depot system and other procurement services, including contractual services incident to receiving, handling, and shipping warehouse items; not to exceed \$250 for purchase of newspapers and periodicals; and not to exceed ~~(26)\$120,000~~ \$145,000 for expenses of travel; ~~(27)\$18,165,000~~ \$19,365,000.

## (28) GENERAL SUPPLY FUND

*To increase the general supply fund established by the Federal Property and Administrative Services Act of 1949, as amended (5 U. S. C. 630g), \$12,500,000, to be immediately available.*

## OPERATING EXPENSES, NATIONAL ARCHIVES AND

### RECORDS SERVICE

For necessary expenses in connection with Federal records management and related activities as provided by law; and not to exceed ~~(29)\$50,000~~ \$59,000 for expenses of travel; ~~(30)\$7,293,000~~ \$7,615,000.

## OPERATING EXPENSES, TRANSPORTATION AND PUBLIC

### UTILITIES SERVICE

For necessary expenses of transportation and public utilities management and related activities, as provided by law, including not to exceed ~~(31)\$60,000~~ \$65,500 for ex-

1 penses of travel; and services as authorized by section 15 of  
 2 the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to  
 3 exceed \$75 per diem for individuals: ~~(32)\$1,800,000~~  
 4 ~~\$1,900,000~~.

## 5 STRATEGIC AND CRITICAL MATERIALS

6 ~~(33)~~Funds available for carrying out the provisions of the  
 7 Strategic and Critical Materials Stock Piling Act of July  
 8 23, 1946, during the current fiscal year shall be available for  
 9 *For necessary expenses in carrying out the provisions*  
 10 *of the Strategic and Critical Materials Stock Piling Act of*  
 11 *July 23, 1946, including services as authorized by section 15*  
 12 *of the Act of August 2, 1946 (5 U. S. C. 55a), not to ex-*  
 13 *ceed (34)\$3,324,000 \$3,400,000 for operating expenses,*  
 14 *not to exceed (35)\$86,000 \$106,000 for expenses of travel, and*  
 15 *necessary expenses for transportation and handling, within*  
 16 *the United States (including charges at United States ports),*  
 17 *storage, security, and maintenance of strategic and critical*  
 18 *materials acquired for or transferred to the supplemental*  
 19 *stockpile established pursuant to section 104 (b) of the*  
 20 *Agricultural Trade Development and Assistance Act of 1954*  
 21 *(7 U. S. C. 1704 (b) ), (36)\$80,500,000, to remain avail-*  
 22 *able until expended: Provided, That any funds received as*  
 23 *proceeds from sale or other disposition of materials on ac-*  
 24 *count of the rotation of stocks under said Act shall be depos-*  
 25 *ited to the credit, and be available for expenditure for the pur-*

1 poses, of this appropriation: *Provided further*, That, during  
 2 the current fiscal year, there shall be no limitation on the  
 3 value of surplus strategic and critical materials which, in  
 4 accordance with subsection 6 (a) of the Act of July 23,  
 5 1946 (50 U. S. C. 98e (a) ), may be transferred to stock-  
 6 piles established in accordance with said Act: *Provided*  
 7 *further*, That no part of funds available shall be used for  
 8 construction of warehouses or tank storage facilities.

#### 9 SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR

10 For expenses of executive direction for activities under the  
 11 control of the General Services Administration, including  
 12 not to exceed \$7,000 for expenses of travel, and not to exceed  
 13 \$250 for purchase of newspapers and periodicals; \$200,000.

#### 14 ADMINISTRATIVE OPERATIONS FUND

15 Funds available to General Services Administration for ad-  
 16 ministrative operations, in support of program activities, shall  
 17 be expended and accounted for, as a whole, through a single  
 18 fund, which is hereby authorized: *Provided*, That costs and obli-  
 19 gations for such administrative operations for the respective pro-  
 20 gram activities shall be accounted for in accordance with sys-  
 21 tems approved by the General Accounting Office: *Provided*  
 22 *further*, That the total amount deposited into said account for  
 23 the fiscal year 1959 from funds made available to General  
 24 Services Administration in this Act shall not exceed

1 (37)~~\$10,700,000~~ \$11,386,000, of which not to exceed  
2 (38)~~\$170,000~~ \$198,000 may be used for travel expenses:  
3 *Provided further*, That amounts deposited into said account  
4 for administrative operations for each program shall not  
5 exceed the amounts included in the respective program  
6 appropriations for such purposes.

7       The appropriate appropriation or fund available to the  
8 General Services Administration shall be credited with (1)  
9 cost of operation, protection, maintenance, upkeep, repair,  
10 and improvement, included as part of rentals received from  
11 Government corporations pursuant to law (40 U. S. C.  
12 129) ; (2) reimbursements for services performed in respect  
13 to bonds and other obligations under the jurisdiction of the  
14 General Services Administration, issued by public authorities,  
15 States, or other public bodies, and such services in respect  
16 to such bonds or obligations as the Administrator deems nec-  
17 essary and in the public interest may, upon the request and  
18 at the expense of the issuing agencies, be provided from the  
19 appropriate foregoing appropriation; and (3) appropria-  
20 tions or funds available to other agencies, and transferred  
21 to the General Services Administration, in connection with  
22 property transferred to the General Services Administration  
23 pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff),  
24 and such appropriations or funds may, with the approval of  
25 the Bureau of the Budget, be so transferred.

1 Funds available to the General Services Administration  
2 shall be available for the hire of passenger motor vehicles.

3 No part of any money appropriated by this or any other  
4 Act for any agency of the executive branch of the Govern-  
5 ment shall be used during the current fiscal year for the pur-  
6 chase within the continental limits of the United States of any  
7 typewriting machines except in accordance with regulations  
8 issued pursuant to the provisions of the Federal Property  
9 and Administrative Services Act of 1949, as amended.

10 Not to exceed 2 per centum of any appropriation made  
11 available to the General Services Administration for the cur-  
12 rent fiscal year by this Act may be transferred to any other  
13 such appropriation, but no such appropriation shall be there-  
14 by increased more than 2 per centum: *Provided*, That such  
15 transfers shall apply only to operating expenses, and shall  
16 not exceed in the aggregate the amount of \$2,000,000.

## 17 HOUSING AND HOME FINANCE AGENCY

### 18 OFFICE OF THE ADMINISTRATOR

#### 19 SALARIES AND EXPENSES

20 For necessary expenses of the Office of the Administra-  
21 tor, including rent in the District of Columbia; services as  
22 authorized by section 15 of the Act of August 2, 1946  
23 (5 U. S. C. 55a) ; not to exceed ~~(39)\$400,000~~ \$450,000  
24 for expenses of travel; and expenses of attendance at meet-  
25 ings of organizations concerned with the work of the Agency;

1   ~~(40)\$8,000,000~~ \$8,750,000: *Provided*, ~~(41)That~~ of the  
2   foregoing amount \$6,000,000 shall be available for adminis-  
3   trative expenses of urban renewal programs: *Provided fur-*  
4   ~~ther~~, That necessary expenses of inspections and of providing  
5   representatives at the site of projects being planned or under-  
6   taken by local public agencies pursuant to title I of the Hous-  
7   ing Act of 1949, as amended, projects financed through loans  
8   to educational institutions authorized by title IV of the Hous-  
9   ing Act of 1950, as amended, and projects and facilities  
10   financed by loans to public agencies pursuant to title II of the  
11   Housing Amendments of 1955, as amended, shall be com-  
12   pensated by such agencies or institutions by the payment of  
13   fixed fees which in the aggregate will cover the costs of  
14   rendering such services, and expenses for such purpose shall  
15   be considered nonadministrative; and for the purpose of pro-  
16   viding such inspections, the Administrator may utilize any  
17   agency and such agency may accept reimbursement or pay-  
18   ment for such services from such institutions, or the Admin-  
19   istrator, and shall credit such amounts to the appropriations  
20   or funds against which such charges have been made, but  
21   such nonadministrative expenses shall not exceed \$2,500,-  
22   000.

## 1                    URBAN PLANNING GRANTS

2            For grants in accordance with the provisions of section  
3    701 of the Housing Act of 1954, as amended, ~~(42)\$3,000,-~~  
4    ~~000~~ \$3,500,000.

## 5                    (43) FARM HOUSING RESEARCH

6            *To carry out the provisions of section 603 of the Housing*  
7    *Act of 1957 for farm housing research to be conducted by*  
8    *land-grant colleges through grants for research, study, and*  
9    *analysis, \$100,000.*

10   RESERVE OF PLANNED PUBLIC WORKS (PAYMENT TO  
11                    REVOLVING FUND)

12            For payment to the revolving fund established pursuant  
13   to section 702 of the Housing Act of 1954, as amended  
14   (40 U. S. C. 462), \$7,000,000.

15   CAPITAL GRANTS FOR SLUM CLEARANCE AND URBAN  
16                    RENEWAL

17            For an additional amount for payment of capital grants  
18   as authorized by title I of the Housing Act of 1949, as  
19   amended (42 U. S. C. 1453, 1456), \$50,000,000.

1 PUBLIC HOUSING ADMINISTRATION

2 ANNUAL CONTRIBUTIONS

3 For the payment of annual contributions to public hous-  
 4 ing agencies in accordance with section 10 of the United  
 5 States Housing Act of 1937, as amended (42 U. S. C.  
 6 1410), \$107,500,000.

7 ADMINISTRATIVE EXPENSES

8 For administrative expenses of the Public Housing Ad-  
 9 ministration, \$11,800,000, to be expended under the au-  
 10 thorization for such expenses contained in title II of this Act.

11 INTERSTATE COMMERCE COMMISSION

12 SALARIES AND EXPENSES

13 For necessary expenses of the Interstate Commerce  
 14 Commission, including not to exceed \$5,000 for the employ-  
 15 ment of special counsel; services as authorized by section 15  
 16 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not  
 17 to exceed \$50 per diem for individuals; newspapers (not to  
 18 exceed ~~(44)\$200~~ \$400); purchase of not to exceed  
 19 ~~(45)twenty-seven~~ *thirty-seven* passenger motor vehicles of  
 20 which fourteen shall be for replacement only; and not to  
 21 exceed ~~(46)\$1,200,000~~ \$1,250,000 for expenses of travel;  
 22 ~~(47)\$16,750,000~~ \$17,250,000, of which ~~(48)~~(a) not less  
 23 than \$1,405,100 shall be available for expenses necessary  
 24 to carry out railroad safety activities and not less than

1 \$966,300 shall be available for expenses necessary to carry  
 2 out locomotive inspection activities~~(49)~~: *(b) \$225,000 shall*  
 3 *be available for expenses necessary to carry out such defense*  
 4 *mobilization functions as may be delegated pursuant to law:*  
 5 *Provided, That Joint Board members and cooperating State*  
 6 *commissioners may use Government transportation requests*  
 7 *when traveling in connection with their duties as such.*

8 NATIONAL ADVISORY COMMITTEE FOR  
 9 AERONAUTICS

10 SALARIES AND EXPENSES

11 For necessary expenses of the Committee, including  
 12 contracts for the making of special investigations and reports  
 13 (not to exceed ~~(50)\$500,000~~ \$1,500,000) and for engi-  
 14 neering, drafting, and computing services; not to exceed  
 15 ~~(51)\$402,500~~ \$422,500 for expenses of travel; maintenance  
 16 and operation of aircraft; ~~(52)purchase of fourteen pas-~~  
 17 ~~senger motor vehicles for replacement only~~ *purchase of six-*  
 18 *teen passenger motor vehicles, of which fourteen shall be for*  
 19 *replacement only*; not to exceed \$100 for newspapers and  
 20 periodicals; uniforms or allowances therefor, as authorized  
 21 by the Act of September 1, 1954 (68 Stat. 1114), as  
 22 amended; and services as authorized by section 15 of the  
 23 Act of August 2, 1946 (5 U. S. C. 55a) ; ~~(53)\$78,100,000~~  
 24 \$80,100,000.

1 CONSTRUCTION AND EQUIPMENT

2 For construction and equipment at laboratories and  
 3 research stations of the Committee, ~~(54)\$23,000,000~~ \$26,-  
 4 220,000, to remain available until expended.

5 ~~(55)~~NATIONAL CAPITAL HOUSING AUTHORITY

6 OPERATION AND MAINTENANCE OF PROPERTIES

7 For the operation and maintenance of properties under  
 8 title I of the District of Columbia Alley Dwelling Act,  
 9 \$38,000: *Provided*, That all receipts derived from sales,  
 10 leases, or other sources shall be covered into the Treasury  
 11 of the United States monthly: *Provided further*, That so long  
 12 as funds are available from appropriations for the foregoing  
 13 purposes, the provisions of section 507 of the Housing Act  
 14 of 1950 (Public Law 475, Eighty-first Congress), shall not  
 15 be effective.

16 NATIONAL SCIENCE FOUNDATION

17 SALARIES AND EXPENSES

18 For expenses necessary to carry out the purposes of  
 19 the National Science Foundation Act of 1950, as amended  
 20 (42 U. S. C. 1861-1875), including award of graduate  
 21 fellowships; services as authorized by section 15 of the Act  
 22 of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed  
 23 \$50 per diem for individuals; hire of passenger motor  
 24 vehicle; not to exceed ~~(56)\$275,000~~ \$325,000 for ex-  
 25 penses of travel; not to exceed \$350 for the purchase of news-

1 papers and periodicals; and reimbursement of the Gen-  
 2 eral Services Administration for security guard services;  
 3 ~~(57)\$115,000,000~~ \$140,000,000, to remain available until  
 4 expended, ~~(58)~~of which \$1,890,000 shall be transferred to  
 5 the Bureau of Public Roads, Department of Commerce, for  
 6 construction of a secondary road to the Optical Astronomy  
 7 Observatory on Kitt Peak in Arizona ~~(59)~~: Provided, That  
 8 of the foregoing amount not less than \$30,250,000 shall be  
 9 available for tuition, grants, and allowances in connection  
 10 with a program of supplementary training for high school  
 11 science and mathematics teachers.

## 12 RENEGOTIATION BOARD

### 13 SALARIES AND EXPENSES

14 For necessary expenses of the Renegotiation Board,  
 15 including expenses of attendance at meetings concerned with  
 16 the purposes of this appropriation; hire of passenger motor  
 17 vehicles; not to exceed \$40,000 for expenses of travel; and  
 18 services as authorized by section 15 of the Act of August 2,  
 19 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem  
 20 for individuals; \$2,850,000.

## 21 SECURITIES AND EXCHANGE COMMISSION

### 22 SALARIES AND EXPENSES

23 For necessary expenses, including not to exceed \$1,125  
 24 for the purchase of newspapers; not to exceed ~~(60)~~\$230,000

1 \$260,000 for expenses of travel; uniforms or allowances  
 2 therefor, as authorized by law (5 U. S. C. 2131) ; and  
 3 services as authorized by section 15 of the Act of August 2,  
 4 1946 (5 U. S. C. 55a) ; ~~(61)\$6,800,000~~ \$7,100,000.

## 5 SELECTIVE SERVICE SYSTEM

### 6 SALARIES AND EXPENSES

7 For expenses necessary for the operation and main-  
 8 tenance of the Selective Service System, as authorized by  
 9 title I of the Universal Military Training and Service Act  
 10 (62 Stat. 604) , as amended, including services as authorized  
 11 by section 15 of the Act of August 2, 1946 (5 U. S. C.  
 12 55a) ; travel expenses; not to exceed \$250 for the pur-  
 13 chase of newspapers and periodicals; not to exceed \$72,000  
 14 for the National Selective Service Appeal Board; and  
 15 \$19,000 for the National Advisory Committee on the  
 16 Selection of Physicians, Dentists, and Allied Specialists;  
 17 \$27,500,000: *Provided*, ~~(62)That of the foregoing amount~~  
 18 ~~\$20,196,000 shall be available for registration, classification,~~  
 19 ~~and induction activities of local boards:~~ *Provided further,*  
 20 That during the current fiscal year, the President may ex-  
 21 empt this appropriation from the provisions of subsection (c)  
 22 of section 3679 of the Revised Statutes, as amended, when-  
 23 ever he deems such action to be necessary in the interest of  
 24 national defense.

25 Appropriations for the Selective Service System may

1 hereafter be used for the destruction of records accumulated  
 2 under the Selective Training and Service Act of 1940, as  
 3 amended, by the Director of Selective Service after compli-  
 4 ance with the procedures for the destruction of records pre-  
 5 scribed pursuant to the Records Disposal Act of 1943, as  
 6 amended (44 U. S. C. 366-380) : *Provided*, That no records  
 7 may be transferred to any other agency without the approval  
 8 of the Director of Selective Service.

## 9 VETERANS ADMINISTRATION

### 10 GENERAL OPERATING EXPENSES

11 For necessary operating expenses of the Veterans Ad-  
 12 ministration, not otherwise provided for, including expenses  
 13 incidental to securing employment for war veterans; uniforms  
 14 or allowances therefor, as authorized by law; (63) purchase  
 15 of one passenger motor vehicle for replacement only at not  
 16 to exceed \$4,000; not to exceed \$3,500 for newspapers and  
 17 periodicals; not to exceed \$45,000 for preparation, shipment,  
 18 installation, and display of exhibits, photographic displays,  
 19 moving pictures, and other visual education information and  
 20 descriptive material, including purchase or rental of equip-  
 21 ment; and not to exceed \$2,700,000 for expenses of travel  
 22 of employees; (64) ~~\$147,500,000~~ \$149,582,000: *Provided*,  
 23 That no part of this appropriation shall be used to pay in ex-  
 24 cess of twenty-two persons engaged in public relations work:  
 25 *Provided further*, That no part of this appropriation shall be

1 used to pay educational institutions for reports and certifica-  
 2 tions of attendance at such institutions an allowance at a  
 3 rate in excess of \$1 per month for each eligible veteran en-  
 4 rolled in and attending such institution.

## 5 MEDICAL ADMINISTRATION AND MISCELLANEOUS

### 6 OPERATING EXPENSES

7 For expenses necessary for administration of the medical,  
 8 hospital, domiciliary, special service, construction and supply,  
 9 research, and employee education and training activities;  
 10 expenses necessary for carrying out programs of medical re-  
 11 search and of education and training of employees, as au-  
 12 thorized by law; not to exceed \$1,100,000 for expenses of  
 13 travel of employees paid from this appropriation, and those  
 14 engaged in training programs; and not to exceed \$2,700 for  
 15 newspapers and periodicals; ~~(65)\$21,000,000~~ \$28,281,000  
 16 of which ~~(66)\$10,344,000~~ \$17,144,000 shall be available  
 17 for medical research: *Provided*, That \$1,000,000 of the fore-  
 18 going appropriation shall remain available until expended for  
 19 prosthetic testing and development.

### 20 INPATIENT CARE

21 For expenses necessary for the maintenance and opera-  
 22 tion of hospitals and domiciliary facilities and for the care  
 23 and treatment of beneficiaries of the Veterans Administra-  
 24 tion in facilities not under the jurisdiction of the Veterans  
 25 Administration as authorized by law, including the furnishing

1 of recreational articles and facilities; maintenance and opera-  
 2 tion of farms; repairing, altering, improving or providing  
 3 facilities in the several hospitals and homes under the juris-  
 4 diction of the Veterans Administration, not otherwise provided  
 5 for, either by contract, or by the hire of temporary employees  
 6 and purchase of materials; purchase of seventy passenger  
 7 motor vehicles for replacement only; not to exceed  
 8 \$375,000 for expenses of travel of employees; uniforms or  
 9 allowances therefor as authorized by the Act of September  
 10 1, 1954, as amended (5 U. S. C. 2131) ; and aid to State  
 11 or Territorial homes in conformity with the Act approved  
 12 August 27, 1888, as amended (24 U. S. C. 134) for the  
 13 support of veterans eligible for admission to Veterans Ad-  
 14 ministration facilities for hospital or domiciliary care;  
 15 ~~(67)\$715,465,000~~ \$717,267,000: *Provided*, That allotments  
 16 and transfers may be made from this appropriation to the De-  
 17 partment of Health, Education, and Welfare (Public Health  
 18 Service), the Army, Navy, and Air Force Departments, for  
 19 disbursement by them under the various headings of their ap-  
 20 plicable appropriations, of such amounts as are necessary  
 21 for the care and treatment of beneficiaries of the Veterans  
 22 Administration: *Provided further*, That the foregoing ap-  
 23 propriation is predicated on furnishing inpatient care and  
 24 treatment to an average of ~~(68)140,800~~ 139,630 beneficiaries  
 25 during the fiscal year 1959 including members in State or

1 Territorial homes, and if a lesser number is experienced such  
 2 appropriation shall be expended only in proportion to the  
 3 average number of beneficiaries furnished such care and treat-  
 4 ment **(69)**:*Provided further, That reimbursements received*  
 5 *from non-Federal sources for care and treatment of patients*  
 6 *provided by this appropriation shall be credited to miscel-*  
 7 *laneous receipts of the Treasury, and payments from the de-*  
 8 *partments and agencies of the Government for such care and*  
 9 *treatment may be made in advance, or by way of reimburse-*  
 10 *ment, to this appropriation, as may be agreed upon by the*  
 11 *Administrator and the head of the department or agency*  
 12 *concerned.*

### 13 OUTPATIENT CARE

14 For expenses necessary for furnishing outpatient care to  
 15 beneficiaries of the Veterans Administration, as authorized  
 16 by law; purchase of two passenger motor vehicles for re-  
 17 placement only; uniforms or allowances therefor, as author-  
 18 ized by law; and not to exceed \$206,400 for expenses of  
 19 travel of employees; **(70)**~~\$75,000,000~~ \$75,798,000.

### 20 MAINTENANCE AND OPERATION OF SUPPLY DEPOTS

21 For expenses necessary for maintenance and operation  
 22 of supply depots, including purchase of one passenger motor  
 23 vehicle for replacement only, uniforms or allowance therefor,  
 24 as authorized by law, and not to exceed \$7,400 for expenses  
 25 of travel of employees, **(71)**~~\$2,000,000~~ \$2,110,000.

## COMPENSATION AND PENSIONS

For the payment of compensation, pensions, gratuities, and allowances (including burial awards authorized by title VIII of the Veterans' Benefits Act of 1957 (71 Stat. 117), and subsistence allowances authorized by part VII of Veterans Regulation 1 (a), as amended), authorized under any Act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the Act of May 19, 1924, as amended (38 U. S. C. 631 and 661), \$3,200,000,000, to remain available until expended.

## READJUSTMENT BENEFITS

For the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V, of the Servicemen's Readjustment Act of 1944, as amended, and title II of the Veterans Readjustment Assistance Act of 1952, as amended, and for supplies, equipment, and tuition authorized by part VII of Veterans Regulation Numbered 1 (a), as amended, payments authorized by titles VI and VII of the Veterans' Benefits Act of 1957 (71 Stat. 114-116), and for benefits authorized by the War Orphans' Educational Assistance Act of 1956, \$700,000,000, to remain available until expended:

1 *Provided*, That the unexpended balance as of June 30, 1958,  
2 in the appropriation for "Automobiles and other con-  
3 veyances for disabled veterans", shall be merged with this  
4 appropriation.

5 VETERANS INSURANCE AND INDEMNITIES

6 For military and naval insurance; for the payment of  
7 benefits and for transfer to the national service life insurance  
8 fund, in accordance with the National Service Life Insurance  
9 Act of 1940, as amended; and for payment of liabilities  
10 under the Servicemen's Indemnity Act of 1951; \$51,100,-  
11 000, to remain available until expended: *Provided*, That the  
12 unexpended balances as of June 30, 1958, in the appropria-  
13 tions for "Military and naval insurance", "National service  
14 life insurance", and "Servicemen's indemnities" shall be  
15 merged with this appropriation: *Provided further*, That cer-  
16 tain premiums provided by law to be credited to any of the  
17 above appropriations shall be credited to this appropriation:  
18 *Provided further*, That this appropriation shall be subject to  
19 the same statutory provisions and shall be available for the  
20 same purpose as formerly applied to the aforementioned appro-  
21 priations.

22 GRANTS TO THE REPUBLIC OF THE PHILIPPINES

23 For payment to the Republic of the Philippines of grants  
24 in accordance with the Act of July 1, 1948, as amended (50

1 U. S. C. App. 1991-1996) ~~(72)~~ or upon enactment into law  
 2 of H. R. 6908, Eighty-fifth Congress, in accordance with  
 3 part D of title V of the Veterans' Benefits Act of 1957, for  
 4 expenses incident to medical care and treatment of veterans,  
 5 ~~(73)~~ \$1,000,000 \$1,250,000.

## 6 CONSTRUCTION OF HOSPITAL AND DOMICILIARY 7 FACILITIES

8 For hospital and domiciliary facilities, for planning and  
 9 for major alterations, improvements, and repairs and extend-  
 10 ing any of the facilities under the jurisdiction of the Veterans  
 11 Administration or for any of the purposes set forth in sections  
 12 1701-1703 of the Veterans Benefits Act of 1957 (71 Stat.  
 13 141), ~~(74)~~ \$19,145,000 \$19,445,000, to remain available  
 14 until expended: *Provided*, That the unexpended balance as of  
 15 June 30, 1958, in the appropriation for "Major alterations,  
 16 improvements, and repairs" shall be merged with this ap-  
 17 propriation.

## 18 ADMINISTRATIVE PROVISIONS

19 Not to exceed 5 per centum of any appropriation for  
 20 the current fiscal year for "Compensation and pensions",  
 21 "Readjustment benefits", and "Veterans insurance and  
 22 indemnities" may be transferred to any other of the men-  
 23 tioned appropriations, but not to exceed 10 per centum of  
 24 the appropriations so augmented, and not to exceed \$500,000

1 of the appropriation "Veterans insurance and indemnities"  
2 for the current year may be transferred to "Service-disabled  
3 veterans insurance fund".

4 Appropriations available to the Veterans Administration  
5 for the current fiscal year for salaries and expenses shall be  
6 available for services as authorized by section 15 of the Act  
7 of August 2, 1946 (5 U. S. C. 55a).

8 Appropriations available to the Veterans Administration  
9 for the current fiscal year for "Inpatient care" and "Out-  
10 patient care" shall be available for funeral, burial, and other  
11 expenses incidental thereto (except burial awards authorized  
12 by title VIII, Veterans' Benefits Act of 1957 (71 Stat. 117)  
13 (38 U. S. C., ch. 12A)), for beneficiaries of the Veterans  
14 Administration receiving care under such appropriations.

15 No part of the appropriations in this Act for the Veter-  
16 ans Administration (except the appropriation for "Con-  
17 struction of hospital and domiciliary facilities") shall be  
18 available for the purchase of any site for or toward the con-  
19 struction of any new hospital or home.

20 No part of the foregoing appropriations shall be avail-  
21 able for hospitalization or examination of any persons except  
22 beneficiaries entitled under the laws bestowing such benefits  
23 to veterans, unless (75) *advance payment or reimbursement*  
24 of cost is made to the appropriation (76) *or to miscellaneous*

1 *receipts, as may be required by law, at such rates as may be*  
2 *fixed by the Administrator of Veterans Affairs.*

3 **INDEPENDENT OFFICES—GENERAL PROVISIONS**

4       SEC. 102. Where appropriations in this title are ex-  
5 pendable for travel expenses of employees and no specific  
6 limitation has been placed thereon, the expenditures for  
7 such travel expenses may not exceed the amounts set forth  
8 therefor in the budget estimates submitted for the appro-  
9 priations: *Provided*, That this section shall not apply to  
10 travel performed by uncompensated officials of local boards  
11 and appeal boards of the Selective Service System.

12       SEC. 103. Where appropriations in this title are ex-  
13 pendable for the purchase of newspapers and periodicals and  
14 no specific limitation has been placed thereon, the expendi-  
15 tures therefor under each such appropriation may not ex-  
16 ceed the amount of \$50: *Provided*, That this limitation shall  
17 not apply to the purchase of scientific, technical, trade, or  
18 traffic periodicals necessary in connection with the per-  
19 formance of the authorized functions of the agencies for  
20 which funds are herein provided, nor to the purchase of  
21 newspapers and periodicals necessary for the care and wel-  
22 fare of patients and members in Veterans Administration  
23 hospitals and domiciliary facilities.

24       SEC. 104. No part of any appropriation contained in

1 this title shall be available to pay the salary of any person  
2 filling a position, other than a temporary position, formerly  
3 held by an employee who has left to enter the Armed Forces  
4 of the United States and has satisfactorily completed his  
5 period of active military or naval service and has within  
6 ninety days after his release from such service or from hos-  
7 pitalization continuing after discharge for a period of not  
8 more than one year made application for restoration to his  
9 former position and has been certified by the Civil Service  
10 Commission as still qualified to perform the duties of his  
11 former position and has not been restored thereto.

12 SEC. 105. Appropriations contained in this title, avail-  
13 able for expenses of travel shall be available, when specifi-  
14 cally authorized by the head of the activity or establishment  
15 concerned, for expenses of attendance at meetings of organi-  
16 zations concerned with the function or activity for which  
17 the appropriation concerned is made.

18 SEC. 106. No part of any appropriations made avail-  
19 able by the provisions of this title shall be used for the pur-  
20 chase or sale of real estate or for the purpose of establishing  
21 new offices outside the District of Columbia: *Provided*, That  
22 this limitation shall not apply to programs which have been  
23 approved by the Congress and appropriations made therefor.

24 SEC. 107. No part of any appropriation contained in this  
25 title shall be used to pay the compensation of any employee

1 engaged in personnel work in excess of the number that  
2 would be provided by a ratio of one such employee to one  
3 hundred and thirty-five, or a part thereof, full-time, part-  
4 time, and intermittent employees of the agency concerned:  
5 *Provided*, That for purposes of this section employees shall  
6 be considered as engaged in personnel work if they spend  
7 half time or more in personnel administration consisting of  
8 direction and administration of the personnel program; em-  
9 ployment, placement, and separation; job evaluation and  
10 classification; employee relations and services; training; wage  
11 administration; and processing, recording, and reporting.

12 SEC. 108. None of the sections under the head "Inde-  
13 pendent Offices—General Provisions" in this title shall apply  
14 to the Housing and Home Finance Agency.

## 15 TITLE II—CORPORATIONS

16 The following corporations and agencies, respectively,  
17 are hereby authorized to make such expenditures, within the  
18 limits of funds and borrowing authority available to each  
19 such corporation or agency and in accord with law, and to  
20 make such contracts and commitments without regard to  
21 fiscal year limitations as provided by section 104 of the  
22 Government Corporation Control Act, as amended, as may  
23 be necessary in carrying out the programs set forth in the  
24 Budget for the fiscal year 1959 for each such corporation  
25 or agency, except as hereinafter provided:

## 1           FEDERAL HOME LOAN BANK BOARD

## 2   LIMITATION ON ADMINISTRATIVE AND EXAMINATION

## 3       EXPENSES, FEDERAL HOME LOAN BANK BOARD

4       Not to exceed a total of \$1,600,000 shall be available for  
5 administrative expenses of the Federal Home Loan Bank  
6 Board, and shall be derived from funds available to the Fed-  
7 eral Home Loan Bank Board, including those in the Federal  
8 Home Loan Bank Board revolving fund and receipts of the  
9 Federal Home Loan Bank Administration, the Federal  
10 Home Loan Bank Board, or the Home Loan Bank Board for  
11 the current fiscal year and prior fiscal years, and the Board  
12 may utilize and may make payment for services and facilities  
13 of the Federal home-loan banks, the Federal Reserve banks,  
14 the Federal Savings and Loan Insurance Corporation, and  
15 other agencies of the Government (including payment for  
16 office space) : *Provided*, That all necessary expenses in con-  
17 nection with the conservatorship of institutions insured by  
18 the Federal Savings and Loan Insurance Corporation or  
19 preparation for or conduct of proceedings under section 5  
20 (d) of the Home Owners' Loan Act of 1933 or section 407  
21 of the National Housing Act and all necessary expenses (in-  
22 cluding services performed on a contract or fee basis, but not  
23 including other personal services) in connection with the  
24 handling, including the purchase, sale, and exchange, of se-

curities on behalf of Federal home-loan banks, and the sale,  
issuance, and retirement of, or payment of interest on,  
debentures or bonds, under the Federal Home Loan Bank  
Act, as amended, shall be considered as nonadministrative  
expenses for the purposes hereof: *Provided further*, That  
not to exceed \$55,000 shall be available for expenses  
of travel: *Provided further*, That members and alter-  
nates of the Federal Savings and Loan Advisory Council  
shall be entitled to reimbursement from the Board as ap-  
proved by the Board for transportation expenses incurred in  
attendance at meetings of or concerned with the work of such  
Council and may be paid not to exceed \$25 per diem in lieu  
of subsistence: *Provided further*, That notwithstanding any  
other provisions of this Act, except for the limitation in  
amount hereinbefore specified, the administrative expenses  
and other obligations of the Board shall be incurred, allowed,  
and paid in accordance with the provisions of the Federal  
Home Loan Bank Act of July 22, 1932, as amended (12  
U. S. C. 1421-1449) : *Provided further*, That the nonadmin-  
istrative expenses for the examination of Federal and State  
chartered institutions (other than special examinations deter-  
mined by the Board to be necessary) shall not exceed  
\$6,343,000.

## 1 LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL

## 2 SAVINGS AND LOAN INSURANCE CORPORATION

3 Not to exceed \$720,000 shall be available for admin-  
4 istrative expenses, which shall be on an accrual basis  
5 and shall be exclusive of interest paid, depreciation, properly  
6 capitalized expenditures, expenses in connection with liqui-  
7 dation of insured institutions or preparation for or conduct of  
8 proceedings under section 407 of the National Housing Act,  
9 liquidation or handling of assets of or derived from insured  
10 institutions, payment of insurance, and action for or toward  
11 the avoidance, termination, or minimizing of losses in the  
12 case of insured institutions, legal fees and expenses, and pay-  
13 ments for administrative expenses of the Federal Home Loan  
14 Bank Board determined by said Board to be properly allo-  
15 cable to said Corporation, and said Corporation may utilize  
16 and may make payment for services and facilities of the  
17 Federal home-loan banks, the Federal Reserve banks, the  
18 Federal Home Loan Bank Board, and other agencies of the  
19 Government: *Provided*, That not to exceed \$15,400 shall  
20 be available for expenses of travel: *Provided further*, That  
21 notwithstanding any other provisions of this Act, except for  
22 the limitation in amount hereinbefore specified, the adminis-  
23 trative expenses and other obligations of said Corporation  
24 shall be incurred, allowed and paid in accordance with title

1 IV of the Act of June 27, 1934, as amended (12 U. S. C.  
2 1724-1730).

3 GENERAL SERVICES ADMINISTRATION

4 LIMITATION ON ADMINISTRATIVE EXPENSES, ABACA

5 FIBER PROGRAM

6 Not to exceed \$47,000 of funds available to the General  
7 Services Administration for the abaca fiber program shall be  
8 available for administrative expenses incident to the abaca  
9 fiber program, to be computed on an accrual basis, and to be  
10 exclusive of the interest paid, depreciation, capitalized ex-  
11 penditures, expenses in connection with the acquisition, pro-  
12 tection, operation, maintenance, improvement, or disposition  
13 of real or personal property relating to the abaca fiber pro-  
14 gram, and expenses of services performed on a contract or  
15 fee basis in connection with the performance of legal services.

16 LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL

17 FACILITIES CORPORATION

18 Not to exceed ~~(77)\$25,000~~ \$40,000 shall be available  
19 during the fiscal year 1959 for all administrative expenses of  
20 the Corporation (including use of the services and facilities  
21 of Federal Reserve banks), to be computed on an accrual  
22 basis, and to be exclusive of interest paid, depreciation,  
23 capitalized expenditures, expenses in connection with the  
24 acquisition, protection, operation, maintenance, improve-

1 ment, or disposition of real or personal property belonging  
2 to the Corporation or in which it has an interest, expenses  
3 of services performed on a contract or fee basis in connection  
4 with the performance of legal services, and all administrative  
5 expenses reimbursable from other Government agencies.

6 LIMITATION ON ADMINISTRATIVE EXPENSES, RECON-  
7 STRUCTION FINANCE CORPORATION LIQUIDATION  
8 FUND

9 Not to exceed (78)~~\$42,500~~ \$54,000 (to be computed  
10 on an accrual basis) of the funds derived from liquidation of  
11 functions of Reconstruction Finance Corporation transferred  
12 to General Services Administration under Reorganization  
13 Plan No. 1 of 1957 (22 F. R. 4633), shall be available dur-  
14 ing the current fiscal year for administrative expenses inci-  
15 dent to the liquidation of said functions: *Provided*, That as  
16 used herein the term "administrative expenses" shall be con-  
17 strued to include all salaries and wages, services performed  
18 on a contract or fee basis, and travel and other expenses,  
19 including the purchase of equipment and supplies, of adminis-  
20 trative offices, but this amount shall be exclusive of costs of  
21 services performed on a contract or fee basis in connection  
22 with the termination of contracts or in the performance of  
23 legal services: *Provided further*, That the distribution of  
24 administrative expenses to the accounts shall be made in

1 accordance with generally recognized accounting principles  
2 and practices.

### 3 HOUSING AND HOME FINANCE AGENCY

#### 4 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF 5 THE ADMINISTRATOR, COLLEGE HOUSING LOANS

6 Not to exceed \$1,675,000 shall be available for all ad-  
7 ministrative expenses, which shall be on an accrual basis, of  
8 carrying out the functions of the Office of the Administrator  
9 under the program of housing loans to educational institu-  
10 tions (title IV of the Housing Act of 1950, as amended,  
11 12 U. S. C. 1749-1749d), but this amount shall be exclusive  
12 of payment for services and facilities of the Federal Reserve  
13 banks or any member thereof, the Federal home-loan banks,  
14 and any insured bank within the meaning of the Act creating  
15 the Federal Deposit Insurance Corporation (Act of August  
16 23, 1935, as amended, 12 U. S. C. 264) which has been  
17 designated by the Secretary of the Treasury as a depository  
18 of public money of the United States: *Provided*, That not to  
19 exceed \$65,000 shall be available for expenses of travel.

#### 20 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF 21 THE ADMINISTRATOR, PUBLIC FACILITY LOANS

22 Not to exceed ~~(79)\$400,000~~ \$525,000 of funds in the  
23 revolving fund established pursuant to title II of the Housing  
24 Amendments of 1955, as amended, shall be available for

1 administrative expenses, but this amount shall be exclusive of  
 2 payment for services and facilities of the Federal Reserve  
 3 banks or any member thereof, the Federal home-loan banks,  
 4 and any insured bank within the meaning of the Act creating  
 5 the Federal Deposit Insurance Corporation (Act of August  
 6 23, 1935, as amended, 12 U. S. C. 264) which has been  
 7 designated by the Secretary of the Treasury as a depository  
 8 of public money of the United States.

9 LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF  
 10 THE ADMINISTRATOR, REVOLVING FUND (LIQUIDAT-  
 11 ING PROGRAMS)

12 During the current fiscal year not to exceed \$600,000  
 13 shall be available for administrative expenses (including not  
 14 to exceed \$38,000 for travel), but this amount shall be ex-  
 15 clusive of ~~(80) costs of services performed on a contract or fee~~  
 16 ~~basis in connection with termination of contracts~~ *expenses*  
 17 *necessary in the case of defaulted obligations to protect the*  
 18 *interests of the Government* and legal services on a contract  
 19 or fee basis and of payment for services and facilities  
 20 of the Federal Reserve banks or any member thereof,  
 21 any servicer approved by the Federal National Mortgage  
 22 Association, the Federal home-loan banks, and any  
 23 insured bank within the meaning of the Act of August  
 24 23, 1935, as amended, creating the Federal Deposit In-  
 25 surance Corporation (12 U. S. C. 264) which has been

1 designated by the Secretary of the Treasury as a depository  
2 of public money of the United States.

3 LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL  
4 NATIONAL MORTGAGE ASSOCIATION

5 Not to exceed \$4,750,000 shall be available for admin-  
6 istrative expenses, which shall be on an accrual basis, and  
7 shall be exclusive of interest paid, expenses (including ex-  
8 penses for fiscal agency services performed on a contract or  
9 fee basis) in connection with the issuance and servicing of  
10 securities, depreciation, properly capitalized expenditures,  
11 fees for servicing mortgages, expenses (including services  
12 performed on a force account, contract, or fee basis, but not  
13 including other personal services) in connection with the ac-  
14 quisition, protection, operation, maintenance, improvement,  
15 or disposition of real or personal property belonging to said  
16 Association or in which it has an interest, cost of salaries,  
17 wages, travel, and other expenses of persons employed out-  
18 side of the continental United States, expenses of services  
19 performed on a contract or fee basis in connection with the  
20 performance of legal services, and all administrative expenses  
21 reimbursable from other Government agencies, and said As-  
22 sociation may utilize and may make payment for services and  
23 facilities of the Federal Reserve banks and other agencies  
24 of the Government: *Provided*, That the distribution of ad-  
25 ministrative expenses to the accounts of the Association shall

1 be made in accordance with generally recognized account-  
2 ing principles and practices: *Provided further*, That not to  
3 exceed ~~(81)\$125,000~~ \$150,000 shall be available for ex-  
4 penses of travel.

5 LIMITATION ON ADMINISTRATIVE AND NONADMINISTRA-  
6 TIVE EXPENSES, FEDERAL HOUSING ADMINIS-  
7 TRATION

8 For administrative expenses in carrying out duties im-  
9 posed by or pursuant to law, not to exceed \$7,300,000 of  
10 the various funds of the Federal Housing Administration  
11 shall be available, in accordance with the National Housing  
12 Act, as amended (12 U. S. C. 1701), including uniforms or  
13 allowances therefor, as authorized by the Act of September  
14 1, 1954, as amended (5 U. S. C. 2131): *Provided*, That,  
15 except as herein otherwise provided, all expenses and obli-  
16 gations of said Administration shall be incurred, allowed,  
17 and paid in accordance with the provisions of said Act:  
18 *Provided further*, That not to exceed \$445,000 shall be  
19 available for expenses of travel: *Provided further*, That  
20 funds shall be available for contract actuarial services (not to  
21 exceed \$1,500); and purchase of periodicals and newspapers  
22 (not to exceed \$750): *Provided further*, That nonadminis-  
23 trative expenses classified by section 2 of Public Law 387,  
24 approved October 25, 1949, shall not exceed \$38,500,000.

1 LIMITATION ON ADMINISTRATIVE AND NONADMINISTRA-  
2 TIVE EXPENSES, PUBLIC HOUSING ADMINISTRATION

3 Not to exceed the amount appropriated for such ex-  
4 penses by title I of this Act shall be available for the  
5 administrative expenses of the Public Housing Administra-  
6 tion in carrying out the provisions of the United States Hous-  
7 ing Act of 1937, as amended (42 U. S. C. 1401-1433), in-  
8 cluding not to exceed \$900,000 for expenses of travel;  
9 purchase of uniforms, or allowances therefor, as authorized  
10 by the Act of September 1, 1954, as amended (5 U. S. C.  
11 2131); purchase of not to exceed one passenger motor  
12 vehicle for replacement only; and expenses of attendance  
13 at meetings of organizations concerned with the work of the  
14 Administration: *Provided*, That necessary expenses of  
15 providing representatives of the Administration at the sites  
16 of non-Federal projects in connection with the construction  
17 of such non-Federal projects by public housing agencies  
18 with the aid of the Administration, shall be compensated by  
19 such agencies by the payment of fixed fees which in the  
20 aggregate in relation to the development costs of such projects  
21 will cover the costs of rendering such services, and expendi-  
22 tures by the Administration for such purpose shall be  
23 considered nonadministrative expenses, and funds received  
24 from such payments may be used only for the payment of

1 necessary expenses of providing representatives of the Ad-  
 2 ministration at the sites of non-Federal projects: *Provided*  
 3 *further*, That all expenses of the Public Housing Adminis-  
 4 tration not specifically limited in this Act, in carrying out  
 5 its duties imposed by law, shall not exceed ~~(82)~~\$1,800,000  
 6 \$2,122,000.

### 7 CORPORATIONS—GENERAL PROVISION

8 SEC. 202. No part of the funds of, or available for  
 9 expenditure by, any corporation or agency included in this  
 10 title shall be used to pay the compensation of any employee  
 11 engaged in personnel work in excess of the number that  
 12 would be provided by a ratio of one such employee to one  
 13 hundred and thirty-five, or a part thereof, full-time, part-  
 14 time, and intermittent employees of the agency concerned:  
 15 *Provided*, That for purposes of this section employees shall  
 16 be considered as engaged in personnel work if they spend  
 17 half-time or more in personnel administration consisting of  
 18 direction and administration of the personnel program; em-  
 19 ployment, placement, and separation; job evaluation and  
 20 classification; employee relations and services; training;  
 21 committees of expert examiners and boards of civil-service  
 22 examiners; wage administration; and processing, recording,  
 23 and reporting.

1 TITLE III—GENERAL PROVISIONS

2        SEC. 301. No part of any appropriation contained in  
3        this Act, or of the funds available for expenditure by any  
4        corporation or agency included in this Act, shall be used  
5        for publicity or propaganda purposes designed to support  
6        or defeat legislation pending before the Congress.

7        This Act may be cited as the “Independent Offices  
8   Appropriation Act, 1959”.

Passed the House of Representatives March 27, 1958.

Attest:

RALPH R. ROBERTS,

Clerk.

Passed the Senate with amendments June 9, 1958.

Attest: FELTON M. JOHNSTON,  
*Secretary.*

85TH CONGRESS  
2D SESSION

H. R. 11574

---

## AN ACT

Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

---

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 1958

Ordered to be printed with the amendments of the  
Senate numbered





June 16, 1958

12. PAY RAISE. Received the conference report on S. 734, the pay raise bill for classified employees. The report states that "The committee of conference agreed to reduction in the numbers of additional positions in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949 and additional positions authorized under Public Law 313, 80th Congress, as provided by Senate amendment No. 5, in recognition of the hearings on the need for increase in the numbers of such positions currently being held by the Subcommittee on Manpower Utilization of the Committee on Post Office and Civil Service of the House. The committee of conference further agrees that the need exists for full and complete hearings on this subject to ascertain the actual requirements of the departments and agencies for such positions and to provide the departments and agencies with the opportunity to justify their specific requests, and that in the future requests for additional such positions should be made and justified by the departments concerned." pp. 10135-137, 10176  
Rep. McCormack stated that this bill will be considered today, June 17.  
p. 10137
13. GRAIN STANDARDS. Passed as reported S. 2007, to amend the Grain Standards Act to permit the collection of charges to reimburse the Department for overtime, travel, and certain other costs in connection with handling appeal inspections.  
pp. 10143-144
14. RECLAMATION. Passed without amendment H. R. 8645, to amend the Reclamation Project Act regarding the repayment of contracts on reclamation projects.  
p. 10143
15. VIRGIN ISLANDS. Passed, under suspension of the rules, H. R. 12226, to extend until June 30, 1969, the charter of the Virgin Islands Corporation, including new authority to operate salt water distillation facilities and continuation of authority for sugar production.
16. HOUSING. Rep. Sikes discussed his bill, H. R. 12939, to allow the Federal Housing Administration to insure mortgages on homes, outside the urban areas, erected before application was made for such a mortgage. pp. 10174-5
17. VOCATIONAL AGRICULTURE. Received from the State Department a letter on two recommendations adopted at the International Labor Conference in 1956, including a recommendation concerning vocational training in agriculture.  
p. 10176
18. FEDERAL-STATE RELATIONS. The Judiciary Committee reported with amendment H. R. 3, to establish rules of interpretation governing questions of the effect of acts of Congress on State laws (H. Rept. 1878). p. 10176
19. INFORMATION. The Government Operations Committee submitted their 27th report on availability of information from Federal departments and agencies (H. Rept. 1884). p. 10176
20. MILITARY CONSTRUCTION. The Armed Services Committee agreed to report a clean bill in lieu of H. R. 12360, the military construction bill, and announced that a rollcall vote would be taken on the reporting of the clean bill  
June 18. p. D548
21. APPROPRIATIONS. Received the conference report on H. R. 12540, the Commerce Department and related agencies appropriation bill for 1959 (H. Rept. 1881). The conferees agreed to shift \$1,000,000 from the 1958 authorization to the 1959 authorization under "Forest Highways," and to earmark \$48,000 of Weather Bureau funds for agricultural weather forecasting in the Mississippi Delta.  
pp. 10133-135, 10176

Conferees were appointed on H. R. 11574, the independent offices appropriation bill for 1959. Senate conferees were appointed June 9. p. 10135

Received from the Treasury a report of the Bureau of Accounts covering restoration of balances withdrawn from appropriation and funds accounts under the control of that Department. p. 10176

22. EXPORT CONTROL. Passed without amendment S. 3093, to extend the Export Control Act for two years until June 30, 1960. This bill will now be sent to the President. A similar bill, H. R. 10127, was laid on the table. pp. 10146-151
23. BUILDING SPACE. Passed with amendments S. 2533, to authorize GSA to lease space for Federal agencies for periods not exceeding ten years. pp. 10140-141
24. FLOOD CONTROL. Rep. Beamer discussed flood damage in Ind., and urged enactment of a rivers and harbors and flood control bill. p. 10138

#### ITEMS IN APPENDIX

25. WATER RESOURCES. Extension of remarks of Sen. Johnson inserting an article pointing up the need for water conservation. p. A5439  
Sen. Proxmire inserted resolutions adopted by the Isaak Walton League expressing the League's stand on issues relating to conservation and development of our natural resources. pp. A5445-7  
Rep. Brooks inserted the remarks of Maj. Gen. Itschner, U. S. Army Engineers, telling of the development of water projects by the Soviets. pp. A5493-4  
Rep. Brooks inserted Asst. Secretary of the Interior Aandahl's recent address, "Water: Our Greatest Natural Resource." pp. A5497-8
26. FARM PROGRAM. Sen. Talmadge inserted several editorials in favor of his proposed farm program. pp. A5443-4  
Extension of remarks of Rep. Thomson commending a program sponsored by the U. S. Junior Chamber of Commerce which is designed to seek out and honor 4 young men who have made outstanding contributions in the field of agriculture and conservation. p. A5457
27. WILDLIFE. Extension of remarks of Sen. Neuberger inserting an article, "Man's Upset of Nature Caused Oregon's Rodent Problem--Killing Predators Caused Mice, Porcupine Increase." pp. A5444-5
28. DAIRY INDUSTRY. Extension of remarks of Rep. Dixon inserting an article, "Contract Milking," describing the successful efforts of small dairy farmers in Utah to set up cooperative milking parlors. pp. A5450-2
29. BUDGET BUREAU. Extension of remarks of Rep. Robison commending the Bureau of the Budget, stating that it serves a "most necessary and useful purpose," and inserting an address by the present Director, Maurice H. Stans. pp. A5458-9
30. COUNTRY LIFE. Extension of remarks of Sen. Morton inserting two editorials endorsing the proposed establishment of a Commission on Country Life. pp. A5464-5
31. FOREIGN TRADE. Speech in the House by Rep. Robison during debate on the trade agreements extension bill. pp. A5467-8
32. ECONOMIC SITUATION. Rep. Bolling inserted a letter to the President from the Federal Statistics Users' Conference and stated "the detailed recommendations which accompanied it point up some very serious gaps in our economic

\$39,868,000 as proposed by the Senate. This amount includes \$48,000 for agricultural weather forecasting in the Mississippi Delta, \$60,000 for 24-hour aviation weather service at Rockford, Illinois, and \$150,000 for adjustments in grade structure.

**TITLE II—THE PANAMA CANAL  
Canal Zone Government**

Amendment No. 28: Appropriates \$17,000,000 for operating expenses instead of \$16,666,000 as proposed by the House and \$17,417,000 as proposed by the Senate. This amount includes provision of \$100,000 for repairs to Thatcher Highway. Operating responsibility for Miraflores Bridge is to remain with Panama Canal Company during fiscal year 1959.

Amendment No. 29: Appropriates \$3,100,000 for capital outlay instead of \$3,000,000 as proposed by the House and \$3,200,000 as proposed by the Senate.

**Panama Canal Company**

Amendment No. 30: Provides for administrative expense limitation of \$7,900,000 as proposed by the House instead of \$7,976,000 as proposed by the Senate.

**TITLE III—INDEPENDENT AGENCIES**

**Airways Modernization Board**

Amendment No. 31: Authorizes purchase of six passenger motor vehicles as proposed by the Senate.

Amendment No. 32: Reported in disagreement.

Amendment No. 33: Appropriates \$31,500,000 for expenses instead of \$30,000,000 as proposed by the House and \$34,315,000 as proposed by the Senate.

**Civil Aeronautics Board**

Amendment No. 34: Appropriates \$6,050,000 for salaries and expenses instead of \$6,000,000 as proposed by the House and \$6,100,000 as proposed by the Senate.

Amendment No. 35: Reported in disagreement.

**St. Lawrence Seaway Development  
Corporation**

Amendment No. 36: Authorizes \$400,000 for administrative expenses as proposed by the House instead of \$440,000 as proposed by the Senate.

Amendment No. 37: Authorizes \$1,000 for official entertainment expenses as proposed by the House instead of \$2,000 as proposed by the Senate.

Amendments Nos. 38 and 39: Authorize per diem allowance of \$100 as proposed by the Senate instead of \$50 as proposed by the House, and limit per diem payments of more than \$50 to a total expenditure of \$5,000 as proposed by the Senate.

PRINCE H. PRESTON,  
ALBERT THOMAS,  
JOHN J. ROONEY,  
CLARENCE CANNON,  
CLIFF CLEVENGER,  
FRANK T. ROW,  
JOHN TABER,

*Managers on the Part of the House.*

**INDEPENDENT OFFICES APPROPRIATION BILL, 1959**

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. THOMAS, YATES, EVINS, BOLAND, CANNON, VURSELL, OSTERTAG, JONAS, and TABER.

**COMPACT ESTABLISHING BOUNDARY BETWEEN OREGON AND WASHINGTON**

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 7153) giving the consent of Congress to a compact between the State of Oregon and the State of Washington establishing a boundary between those States, with a Senate amendment thereto, disagree to the amendment of the Senate, and ask for a conference with the Senate on the disagreeing votes of the two Houses.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CELLER, WILLIS, BROOKS of Texas, KEATING, and CRAMER.

**FEDERAL EMPLOYEES PAY ACT OF 1958**

Mr. MURRAY submitted the following conference report and statement on the bill (S. 734) to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes:

**CONFERENCE REPORT (H. REPT. No. 1882)**

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the amendment of the House to the bill (S. 734) entitled "An Act to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

Amendment numbered 1: That the Senate recede from its amendment numbered 1.

Amendments numbered 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, and 13: That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 6, 7, 8, 9, 10, 11, 12, and 13, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5 and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"Sec. 10. Section 505 of the Classification Act of 1949, as amended (5 U. S. C. 1105), is amended by adding at the end thereof the following new subsections:

"(f) The Director of the Administrative Office of the United States Courts is authorized to place a total of four positions in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b).

"(g) The Commissioner of Immigration and Naturalization is authorized to place a total of eleven positions in grade 17 of the General Schedule. Such positions shall be in addition to the number of positions authorized to be placed in such grade by subsection (b).

"(h) In any case in which, subsequent to February 1, 1958, provisions are included in a general appropriation Act authorizing an agency of the Government to place additional positions in grade 16, 17, or 18, the total number of positions authorized by this section to be placed in such grades shall, unless otherwise expressly provided, be deemed to have been reduced by the number of positions authorized by such provisions to be placed in such grades. Such reduction shall be deemed to have occurred in the following order: first, from any number specifically authorized for such agency under this section, and second, from the maximum number of positions authorized to be placed in such grades under subsection (b) irrespective of the agency to which such positions are allocated.

"(i) Appointments to positions in grades 16, 17, and 18 of the General Schedule shall be made only upon approval by the Civil Service Commission of the qualifications of the proposed appointees, except that this subsection shall not apply to those positions—

"(1) provided for in subsection (e) of this section;

"(2) to which appointments are made by the President alone or by the President by and with the advice and consent of the Senate; and

"(3) for which the compensation is paid from (A) appropriations for the Executive Office of the President under the headings "The White House Office", "Special Projects", "Council of Economic Advisers", "National Security Council", "Office of Defense Mobilization", and "President's Advisory Committee on Government Organization", or (B) funds appropriated to the President under the heading "Emergency Fund for the President, National Defense" by the General Government Matters Appropriation Act, 1959, or any subsequent Act, making appropriations for such purposes."

"Sec. 11. (a) Section 505 (b) of the Classification Act of 1949, as amended, is amended by striking out 'twelve hundred and twenty-six' and inserting 'fifteen hundred and thirteen', by striking out 'three hundred and twenty-nine' and inserting 'four hundred and one', and by striking out 'one hundred and thirty' and inserting 'one hundred and fifty-nine'."

"(b) Section 505 (e) of such Act is amended by striking out 'thirty-seven' and inserting in lieu thereof 'seventy-five'."

"Sec. 12. (a) The first section of the Act of August 1, 1947 (Public Law 313, Eightieth Congress), as amended, is amended by striking out 'one hundred and twenty' and 'twenty-five' in subsection (a) and inserting in lieu thereof 'two hundred and ninety-two' and 'fifty', respectively.

"(b) Such section is further amended by striking out 'thirty' in subsection (b) and inserting in lieu thereof 'ninety'."

"(c) Such section is further amended by adding at the end thereof the following new subsections:

"(d) The Secretary of the Interior is authorized to establish and fix the compensation for not more than five scientific or professional positions in the Department of the Interior, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel.

"(e) The Secretary of Agriculture is authorized to establish and fix the compensation for not more than five scientific or professional positions in the Department of Agriculture, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel.

"(f) The Secretary of Health, Education, and Welfare is authorized to establish and fix the compensation for not more than five scientific or professional positions in the Department of Health, Education, and Welfare, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel.

"(g) The Secretary of Commerce is authorized to establish and fix the compensation for not more than twenty-five scientific or professional positions in the Department of Commerce, of which not less than five shall be for the United States Patent Office in its examining and related activities, each such position being established to effectuate those research and development functions of such Department which require the services of specially qualified personnel.

"(h) In any case in which, subsequent to February 1, 1958, provisions are included in a general appropriation Act authorizing an agency of the Government referred to in this Act to establish and fix the compensation of scientific or professional positions similar to those authorized by this Act, the number of such positions authorized by this Act shall, unless otherwise expressly provided, be deemed to have been reduced by the number of positions authorized by the provisions of such appropriation Act."

"(d) Section 3 of such Act is amended by inserting after 'Secretary of Defense' a comma and the following: 'the Secretary of the Interior, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Health, Education, and Welfare,' and by inserting after 'Military Establishment' a comma and the following: 'the Department of the Interior, the Department of Agriculture, the Department of Commerce, the Department of Health, Education, and Welfare,'"

"(e) Section 208 (g) of the Public Health Service Act, as amended (42 U. S. C. 210 (g)), is amended by striking out 'sixty positions' and inserting in lieu thereof 'eighty-five positions, of which not less than seventy-three shall be for the National Institutes of Health'."

"(f) The annual rate of basic compensation of the position of Chief Postal Inspector in the Post Office Department shall be \$19,000.

"Sec. 13. (a) (1) Clause (2) of that paragraph of section 602 of the Classification Act of 1949, as amended (5 U. S. C. 1112), which defines the level of difficulty and responsibility of work in grade 5 of the General Schedule (GS-5) is amended to read as follows:

"(2) to perform, under immediate supervision, and with little opportunity for the exercise of independent judgment, simple and elementary work requiring professional, scientific, or technical training; or."

"(2) Clause (2) of that paragraph of the same section which defines the level of difficulty and responsibility of work in grade 7 of the General Schedule (GS-7) is amended to read as follows:

"(2) under immediate or general supervision, to perform somewhat difficult work requiring (A) professional, scientific, or technical training, and (B) to a limited extent, the exercise of independent technical judgment; or."

"(b) The Civil Service Commission shall exercise its authority to issue such standards or regulations as may be necessary for the administration of subsection (a) of this section.

"Sec. 14. It is the sense of the Congress that appropriations for cooperative agricultural extension work and appropriations for payments to State agricultural experiment stations for the fiscal year beginning July 1, 1958, should include additional amounts sufficient to provide increases in the portion of the compensation of persons employed in such work or by such stations, which is paid from such appropriations, corresponding to

the increases provided for employees under this Act."

And the Senate agree to the same.

TOM MURRAY,  
JAMES H. MORRISON,  
JAMES C. DAVIS,  
EDWARD H. REES,  
ROBERT J. CORBETT,

*Managers on the Part of the House.*

OLIN D. JOHNSTON,  
MIKE MONRONEY,  
DICK NEUBERGER,  
FRANK CARLSON,  
WILLIAM E. JENNER,

*Managers on the Part of the Senate.*

#### STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the amendment of the House to the bill (S. 734) entitled "an act to revise the basic compensation schedules of the Classification Act of 1949, as amended, and for other purposes," submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This amendment contains provisions governing the adjustment of the rates of basic compensation of officers and employees receiving compensation under section 803 of the Classification Act of 1949 (68 Stat. 1106; 5 U. S. C. 1133), authorizing higher rates of basic compensation for hard-to-fill positions (at present and for the most part, certain categories of positions requiring scientific and technical training). Under the provisions of Senate amendment No. 1, those officers and employees in such scientific and technical positions would not necessarily receive the full amount of the increase in basic compensation provided by reason of section 2 (a) of the House amendment for other officers and employees subject to the Classification Act of 1949. If the Civil Service Commission, in effect, approved the payment of certain lesser amounts of compensation to these officers and employees in such scientific and technical positions. Under the comparable provisions of the House amendment and without regard to any administrative determination, these officers and employees in such scientific and technical positions will receive the full amount of the increase in basic compensation provided by reason of section 2 (a) of the House amendment, to the same extent as other officers and employees and irrespective of any prior increases in, or establishment of, their rates of basic compensation under section 803 of the Classification Act of 1949. Although the conference agreement grants the full amount of such increase to those officers and employees whose compensation has been established or adjusted under section 803 of the Classification Act of 1949, the committee of conference believes that, under such section 803, the Civil Service Commission has ample authority to make equitable adjustments and readjustments in the future in the compensation relationships of these classes of officers and employees, and, for this purpose, should make continuing or periodic reviews of its actions and determinations under such section 803. The Senate recedes.

Amendment No. 2: This amendment makes certain changes in the comparable House provision relating to the adjustment of the rates of basic compensation of employees in the offices of Senators. This amendment broadens the House provisions to cover the adjustment of basic compensation in those cases in which (1) a Senator shall have died during the retroactive period, (2) an employee shall have transferred from the office of one Senator to the office of another Senator during the retroactive period, and (3) an

employee shall have transferred from the office of a Senator to a committee, or vice versa, during the retroactive period. The House recedes.

Amendment No. 3: This amendment makes a change in the provisions relating to the compensation of House folding-room employees in order to conform such provisions to necessary appropriations procedures. The House recedes.

Amendment No. 4: This amendment provides that the retroactive salary or compensation increases provided by this legislation shall not be considered to be "basic salary" for the purposes of the Civil Service Retirement Act in the case of any officer or employee who retired or died during such period. This amendment does not affect the right to payment of the salary or compensation increases in such cases. The amendment eliminates the necessity of recomputation and readjustment of retirement benefits which were fixed and determined prior to the date of enactment of this legislation. This amendment is similar to the last sentence of section 406 (a) of the act of May 27, 1958 (72 Stat. 147; Public Law 35-426), relating to retroactive salary increases for postal field service employees. The House recedes.

Amendment No. 5: This amendment relates generally to the authorization of (1) additional positions in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949, as amended, and (2) additional scientific and professional positions under Public Law 313, 80th Congress, as amended, and the Public Health Service Act.

The House engrossed amendment contained provisions (in secs. 10, 11, and 12 thereof, which were struck out by Senate amendment No. 5) to the following effect:

(1) The Director of the Federal Bureau of Investigation is authorized to place a total of 75 positions in grades 16, 17, and 18 of the General Schedule, in lieu of the present authority for 37 such positions.

(2) Each appointment to a position in grade 16, 17, or 18 of the General Schedule (except positions referred to in paragraph (1), above) shall be subject to Civil Service Commission approval of the qualifications of the proposed appointee.

(3) The annual salary for the position of Chief Postal Inspector in the Post Office Department shall be \$19,000.

Senate amendment No. 5 contained provisions to the following effect:

(1) The Director of the Administrative Office of the United States Courts is authorized to place a total of four positions in grade 17 of the General Schedule.

(2) The Commissioner of Immigration and Naturalization is authorized to place eleven positions in grade 17 of the General Schedule. Such grade 17 positions are in lieu of eleven positions which the Commissioner presently is authorized to place in grade 16 of such General Schedule.

(3) The Civil Service Commission is authorized to allocate to the various departments and agencies a total of not more than 1,779 positions in grades 16, 17, and 18 of the General Schedule, including not more than 472 such positions in grade 17 and 188 such positions in grade 18. The Commission presently is authorized to so allocate a total of not more than 1,226 positions in grades 16, 17, and 18, including not more than 329 in grade 17 and 130 in grade 18.

(4) The Director of the Federal Bureau of Investigation is authorized to place a total of 75 positions in his Bureau in grades 16, 17, and 18 of the General Schedule, in lieu of the total of 37 such positions authorized by existing law.

(5) The Secretary of Defense is authorized to establish not more than 435 professional and scientific positions in the Department of Defense and 50 such positions in the National Security Agency, in lieu of the maximum





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued June 25, 1958  
For actions of June 24, 1958  
85th-2d, No. 104

## CONTENTS

Appropriations.....	1,34	Future farmers.....	17	Reorganization.....	35
Buildings.....	32	Grain.....	44	Research.....	20,29
Civil defense.....	9	Housing.....	18	Rice.....	11
Conservation.....	23	Laws.....	46	Small business.....	41
Corn.....	11	Military construction...	10	Statehood.....	13
Cotton.....	11,12,43	Milk.....	26	Surplus commodities.....	7
Dairy program.....	6	Natural resources.....	19	Surplus property.....	28
Defense production.....	40	Personnel.....	2,45	Taxation.....	8
Depressed areas.....	27	Public works.....	4,36	Textiles.....	39
Education.....	33	Reclamation.....	14	Transportation..	8,15,24,37
Electrification.....	5	Renegotiation.....	30	Wildlife.....	25,38
Employment.....	42				
Farm prices.....	16				
Farm program.....	11,22				
Food prices.....	21				
Foreign aid.....	3				
Foreign trade.....	7				
Forestry.....	31				

**HIGHLIGHTS:** Senate committee agreed to report original farm bill. Sen. Stennis opposed reductions in cotton acreage allotments. Rep. Johnson explained proposed self-help dairy stabilization program. Mutual security authorization bill returned to conference. House committee reported bill to authorize training of Federal employees at outside facilities. Sen. Humphrey introduced and discussed measure to extend special milk program for 60 days.

## HOUSE

- 1. APPROPRIATIONS.** Received the conference report on H. R. 12428, the State-Justice and related agencies appropriation bill for 1959 (H. Rept. 1980). pp. 10928-929  
Conferees were granted until midnight June 24, to file a report on H. R. 11574, the independent offices appropriation bill for 1959. p. 10919  
Passed with amendment H. R. 13066, the legislative branch appropriation bill for 1959. pp. 10919-928  
Reps. Bow and Passman charged that there "is a growing tendency of other branches of government, particularly the executive branch of the Government in its attempt to pressure the Congress of the United States in its decisions," particularly with regard to appropriations. pp. 10921-922
- 2. PERSONNEL.** The Post Office and Civil Service Committee reported with amendment S. 385, to authorize the training of Federal employees at public or private facilities (H. Rept. 1951). p. 10993

Rep. Porter stated that ICA has followed a policy of "making employment contingent on political clearance," but he has been assured that employment "is based on individual qualification and merit," and inserted numerous articles and letters discussing the matter. pp. 10976-982

3. FOREIGN AID. At the request of Rep. Morgan the conference report on H. R. 12181, the mutual security authorization bill, was returned to conference, with permission until midnight Wed., June 25, to file a new conference report on the bill. p. 10976
4. PUBLIC WORKS. Received the conference report on S. 3910, the rivers and harbors and flood control authorization bill (H. Rept. 1982). pp. 10934-943
5. ELECTRIFICATION. The Joint Committee on Atomic Energy ordered reported clean bills in lieu of S. 3788 and H. R. 12459, authorizing appropriations for certain Atomic Energy Commission activities including the cooperative power reactor demonstration program. p. D587
6. DAIRY PROGRAM. Rep. Johnson urged support for the proposed self-help dairy stabilization program contained in the omnibus farm bill, H. R. 12954, and inserted a statement of questions and answers he had prepared explaining the proposed program. pp. 10972-974
7. FOREIGN TRADE; SURPLUS COMMODITIES. Rep. Beuss discussed the effects of the Public Law 480 program on other countries, stated that "other friendly countries -- including some of the best friends that we have -- have been turned away from us by the way the act has been administered," and inserted statements of the reactions of other countries toward the program. pp. 10974-976
8. TRANSPORTATION TAXES. Several Representatives urged adoption of a Senate amendment to H. R. 12695, the excise-tax rate extension bill, which would repeal the tax on transportation. pp. 10917, 10971, 10972
9. CIVIL DEFENSE. The Armed Services Committee reported without amendment H. R. 12827, to extend certain emergency powers of the FCDA until June 30, 1962 (H. Rept. 1956). p. 10993
10. MILITARY CONSTRUCTION. The Armed Services Committee reported with amendment H. R. 13015, to authorize construction at military installations (H. Rept. 1957). p. 10993

#### SENATE

11. FARM PROGRAM. The Agriculture and Forestry Committee agreed to report an original farm bill, "containing: (1) alternative price support programs for cotton, (2) minimum acreage and discretionary price supports between 75 percent and 90 percent for rice, and (3) price supports for corn at 90 percent of the average price for the three preceding calendar years, with no production controls." p. D583
12. COTTON ACREAGE. Sen. Stennis spoke against further reductions in acreage allotments for cotton, and urged that each cotton farmer be assured of the same acreage in 1959 as in 1958, and that future increases in allotments be distributed "equally" among producers. He indicated his willingness to agree to reduced price supports, and urged that a group of Congressmen talk to the President about this matter. Sen. Yarborough concurred. pp. 10853-5

S. 2860. An act for the relief of Miss Susana Clara Magalona;

S. 2936. An act for the relief of Feofania Bankevitz;

S. 2941. An act for the relief of John Favia (John J. Curry);

S. 2943. An act for the relief of Letitia Oltanu;

S. 2964. An act granting the consent and approval of Congress to a compact between the State of Connecticut and the State of Massachusetts relating to flood control;

S. 2983. An act for the relief of Bernabe Miranda and Manuel Miranda;

S. 3010. An act for the relief of Jose Mararac;

S. 3021. An act for the relief of Stanislaw Wojczul;

S. 3042. An act for the relief of Miss Alegra Azouz;

S. 3053. An act to authorize the Secretary of the Army to convey certain real property at Demopolis lock and dam project, Alabama, to the heirs of the former owner;

S. 3130. An act for the relief of Georgios Papakonstantinou;

S. 3131. An act for the relief of Amile Hatem and Linda Hatem;

S. 3137. An act for the relief of Mathilde Gombard-Liatzky;

S. 3139. An act to repeal the act of July 2, 1956, concerning the conveyance of certain property of the United States to the village of Carey, Ohio;

S. 3142. An act to amend the Federal Property and Administrative Services Act of 1949 to extend the authority to lease out Federal building sites until needed for construction purposes and the act of June 24, 1948 (62 Stat. 644), and for other purposes;

S. 3192. An act for the relief of Edeltrand Maria Theresia Collom;

S. 3276. An act for the relief of Carl Ebert and his wife, Gertrude Ebert;

S. 3300. An act for the relief of Jean Andre Paris;

S. 3305. An act for the relief of Adamantia Papavasiliou;

S. 3354. An act for the relief of Fuad E. Kattuah;

S. 3392. An act establishing the time for commencement and completion of the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.;

S. 3421. An act for the relief of Alexander Nagy;

S. 3431. An act to provide for the addition of certain excess Federal property in the village of Hatteras, N. C., to the Cape Hatteras National Seashore Recreational Area, and for other purposes;

S. 3469. An act to authorize the Secretary of the Interior to amend the repayment contract with the Arch Hurley Conservancy District, Tucumcari project, New Mexico;

S. 3475. An act for the relief of Florentino Bustamante Bacaoan, yeoman, second class, United States Navy;

S. 3524. An act to change the name of the Markland locks and dam to McAlpine locks and dam;

S. 3569. An act to authorize the Secretary of the Interior to exchange certain Federal lands for certain lands owned by the State of Utah;

S. 3677. An act to extend for 2 years the period for which payments in lieu of taxes may be made with respect to certain real property transferred by the Reconstruction Finance Corporation and its subsidiaries to other Government departments;

S. 3833. An act to provide for a survey of the Coosawhatchie and Broad Rivers in South Carolina, upstream to the vicinity of Dawson Landing;

S. 3873. An act to amend section 201 of the Federal Property and Administrative Services Act of 1949, as amended, to author-

ize the interchange of inspection services between executive agencies, and the furnishing of such services by one executive agency to another, without reimbursement or transfer of funds; and

S. Con. Res. 92. Concurrent resolution withdrawing suspension of deportation in the case of Jesus Angel Moreno.

#### CONFERENCE REPORT ON H. R. 11574

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the conferees on the bill H. R. 11574 have until midnight tonight to file a conference report.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

#### TAX RELIEF FOR SMALL BUSINESS: ACTION NOW ON THE FREIGHT EXCISE TAX

(Mr. UDALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. UDALL. Mr. Speaker, the conferees have been appointed, and the conference committee will meet this week on legislation passed by both Houses to extend corporate and excise tax rates.

By an overwhelming vote last week the other body passed two amendments to eliminate the recession-producing excise taxes on freight and passenger travel. By adopting these amendments the other body in effect gave the highest priority to the elimination of these discriminatory taxes, and my conversations with members of this body indicate that this sentiment is equally shared in the House.

Mr. Speaker, obviously compromise should be the order of the day, and I urge that the conferees accept one of the Senate amendments—the freight excise—and reject the other as a reasonable solution of this issue.

The tax burden imposed by this iniquitous levy falls heaviest on new and small businesses. Moreover, in its operation it is a discriminatory tax which penalizes producers and businessmen in the West, South and Middle West who are remote from our major national markets.

Again, Mr. Speaker, I urge that the path of reasonable compromise be followed by the conferees and the Congress.

#### CONDITIONS OF EMPLOYMENT IN THE CANAL ZONE

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1850) to adjust conditions of employment in departments or agencies in the Canal Zone, with House amendments thereto, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. MURRAY, YOUNG, HEMPHILL, SCOTT of North Carolina, REES of Kansas, CUNNINGHAM of Nebraska, and DENNISON.

#### PROGRAM FOR TODAY

(Mr. MARTIN asked and was given permission to address the House for 1 minute.)

Mr. MARTIN. Mr. Speaker, I take this time to inquire of the majority leader concerning the program for today.

Mr. McCORMACK. Mr. Speaker, I had announced previously that the mutual security conference report would be brought up today. Instead it will be taken up tomorrow. The rest of the program is as previously announced, the legislative appropriation bill and the organized sports bill.

Mr. MARTIN. The legislative appropriation bill will be taken up first?

Mr. McCORMACK. That is correct.

Mr. MARTIN. I thank the gentleman.

#### LEGISLATIVE BRANCH APPROPRIATION BILL, 1959

Mr. NORRELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 13066) making appropriations for the legislative branch for the fiscal year ending June 30, 1959, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, the time to be equally divided and controlled by the gentleman from Washington [Mr. HORAN] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The motion was agreed to.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 13066, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

(Mr. NORRELL asked and was given permission to revise and extend his remarks.)

Mr. NORRELL. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, before proceeding to explain the bill under consideration, I should like to extend my sincere thanks to the members of my subcommittee for their cooperation. The gentleman from Washington [Mr. HORAN], the gentleman from Ohio [Mr. BOW], the gentleman from Ohio [Mr. KIRWAN], and the gentleman from New York [Mr. ROONEY], have been extremely helpful and cooperative in conducting the hearings and writing the bill. Also to Paul Wilson, the clerk of the subcommittee.

Mr. Chairman, the legislative branch appropriation bill for 1959 as reported by the Committee on Appropriations carries a total of \$96,942,113. Following the custom of the past, the bill omits appropriations for the Senate including certain items under the expenditure supervision of the Architect of the Capitol but which relate solely to the Senate. Such items will be added when the bill

reaches the other body. The bill before us is \$968,386 below the budget requests of \$97,910,499, but it is \$17,941,708 above corresponding appropriations of \$79,000,405 appropriated so far for fiscal year 1958.

Just in summary, \$39,320,805 is included for items under the House of Representatives heading; \$2,440,116 for certain joint offices and items set out in the bill; \$27,845,225 for items under the Architect of the Capitol excluding, as I indicated, items relating solely to the Senate; \$972,500 for the Botanic Garden; \$12,368,277 for the Library of Congress; and \$13,995,190 for congressional printing and binding and for the Office of the Superintendent of Documents.

As appropriation bills go, Mr. Chairman, the legislative bill is not a big bill. It is not possible to make large economies in the requests, because much of it is irreducible if the legislative establishment is to properly operate. We have reduced the requests wherever we thought we could, and those reductions are covered by the report.

I want to say a word about the fairly large increase allowed above appropriations of the last year. The total increase is \$17,941,708. Most of that is for investment in capital expenditures and not current operating expenses. The big item is an increase of \$15 million to continue the additional House Office Building project and related improvements. Another significant item is \$587,000 to tear down the old dilapidated greenhouses down here at the Botanic Garden and construction of new greenhouses at the nursery over near the South Capitol Street Bridge. We have allowed a modest addition of new employees practically all of which are in the Library and the Government Printing Office and, as a matter of fact, a good part of those are in activities which are self-supporting or return a profit to the Treasury. They are also, in large measure, in the lower clerical grades. There are other numerous items, including mandatory costs which we have little choice but to allow.

Mr. Chairman, the committee report and the hearings which are available cover the details of the bill rather fully so I shall confine my remarks to brief comments on certain features of the bill which may be of particular interest.

#### HOUSE OF REPRESENTATIVES

We have recommended a total of \$39,320,805 for all items under the House of Representatives section. There is nothing particularly significant, I believe, in the small increase above 1958. I think we have allowed only four additional positions where the workload seemed to justify that action.

I think I mentioned this last year, but it may be of interest to repeat it. Members of the House, on their clerk-hire roll, do not come anywhere near hiring all the employees permitted by law. Furthermore, House committee staffs are a level somewhat below the total number authorized by law. There was quite a bit of discussion and consideration regarding the operation of the stationery room in the hearings and you will find some comment on that in the report. The sta-

tionery room has accumulated some profit from operations and we have called that situation to the attention of the Committee on House Administration in regard to the matter of setting of prices charged against Members' stationery allowance.

#### VARIOUS JOINT OFFICES AND ITEMS

For the various joint offices and items, as set out in the report, a total of \$2,440,116 is recommended. Practically all of the increase above 1958 is for mandatory requirements of reimbursing the Post Office Department for the cost of mailings in fiscal year 1957.

As we point out in the report, we have changed the arrangement for appropriating for the office of the legislative counsel to conform more closely to the custom of many years of omitting Senate items from the House bill.

Two of the appropriations in support of the Capitol Police force are included under this general heading, to reimburse the District of Columbia for additional police assistance furnished to the Congress. There has been a good deal of discussion in the hearings and elsewhere concerning the Capitol Police force. I am certain you are all familiar with it.

#### ARCHITECT OF THE CAPITOL

For all items coming under the Architect of the Capitol in this bill, a total of \$27,845,225 is recommended. We made several reductions as explained in the report. There is a large increase, specifically, \$15,007,125 above 1958, and this is accounted for almost entirely by the additional funds to meet obligations accruing in connection with the additional House Office Building project. We appropriated \$7,500,000 for that in 1958, and this bill includes \$22,500,000. The Congress has heretofore appropriated \$22,500,000 for this project. The amount in this bill would make the total \$45 million, which, in approximate and round figures, would represent nearly half of the present total estimated cost of all the work. The project, as you know, has been and is proceeding under an indefinite contract authority previously granted, the control of which is under the House Office Building Commission. I will not undertake to go into the details of the project, but if you want an up-to-date statement, I would suggest that you look at pages 133-143 of the printed hearings. That gives the picture up to the moment.

I should also mention that for the extension of the east front of the Capitol, about which we hear a good deal, there are no funds in the bill for that project. No funds were requested. A total of \$17 million has heretofore been appropriated for all of the work, including that related to the extension and if you will look at the hearings you will find that the sum previously made available is estimated to sufficient to cover all items of work approved by the Commission which has jurisdiction. That is all shown on pages 149-151 of the hearings.

We have recommended a total of only six additional personnel in all the operations under the Architect of the Capitol and these are explained on page 5 of the committee report.

#### BOTANIC GARDEN

There are two items of significance under the appropriations for the Botanic Garden. One is an addition of \$100,000 to replace the wiring and other work in the main conservatory where the high humidity and constant moisture conditions have taken their toll after some 25 years.

The other is \$587,000 to tear down these old greenhouses here at the foot of Capitol Hill and replace them with new ones over at the nursery near the South Capitol Street Bridge. The existing greenhouses are over 75 years old, they are unsafe and inefficient and costly to maintain, and they are also an eyesore on the Capitol landscape.

#### LIBRARY OF CONGRESS

We have a great library across the street in the Congressional Library. It is the world's largest. It is an important institution. Its collections continue to grow and the demands on it continue to grow. It, as I mentioned last year, is used extensively by the Congress, the public, the Government agencies including the military and security agencies. They have had a chronic backlog situation over there. They have not been able to keep up with processing of the ever-increasing and inevitable increase in workload. They are crowded for space. Probably one of the greatest needs is a new building, and fairly soon. Otherwise they are not going to have any place to put the constant flow of materials and papers or the necessary personnel to handle and service them. We mention that in the report, although the provision of a building is not within our jurisdiction.

We have tried to make reasonable provision to keep the Library in good order. We have allowed some additional personnel in the last few years. The Library wanted more and we have allowed some, but not all they asked for. In round figures, I believe we have allowed them about 40 additional people. I should point out that many of these are in the lower clerical grades and furthermore, some of them are in the Copyright Office and in the Catalog Card Service both of which make money for the Treasury.

We have increased the Books for the Blind program, a very worthy undertaking, in line with the increased authorization of last year.

There is a new item in the bill that you might be interested in. It provides for organizing and microfilming the papers of 23 Presidents of the United States—papers that are in the collections and in the possession of the Library. It will take several years to do the work. The Library wanted the full amount appropriated at the outset, but we have thought it better to appropriate only the amount needed for the first year so that we can take a look at it each year and see what additional funds are necessary as the work progresses.

#### GOVERNMENT PRINTING OFFICE

Mr. Chairman, the last section of the bill has to do with congressional printing and binding and with the Office of the Superintendent of Documents. We have allowed the full request for printing





July 21, 1958

14. LEGISLATIVE PROGRAM. Sen. Johnson announced that he expected to bring up the Senate farm bill later in the week, "after the policy committee has cleared it." He further stated that the Defense and foreign aid appropriations bills would be considered next week, and that after certain D. C. bills the Senate would consider S. Res. 264, favoring the establishment of an International Development Ass'n, and H. R. 7576, amending the Federal Civil Defense Act. p. 13112

HOUSE

15. SURPLUS COMMODITIES; FOREIGN TRADE. Debated and noted, 152 to 24, to pass S. 3420, to amend and extend Public Law 480. Rep. Griffiths objected to the vote on the ground that a quorum was not present. At the request of Rep. McCormack, further consideration of the bill was then postponed until Wed., July 23. pp. 13173-197
16. COTTON ALLOTMENTS. Passed without amendment H. R. 12531, to permit the allocation from acreage of extra long staple cotton for the production of extra long staple cotton seed. pp. 13172-73
17. SEED MARKETING. Passed without amendment S. 1939, to make various amendments to the Federal Seed Act regarding labeling requirements. This bill will now be sent to the President. pp. 13167-68
18. FOOT-AND-MOUTH DISEASE. Passed without amendment S. 3076, to authorize the transportation in the U. S. of live foot-and-mouth disease virus for research purposes. This bill will now be sent to the President. p. 13162
19. HOG CHOLERA. Passed without amendment S. 3478, to insure the maintenance of an adequate supply of anti-hog-cholera serum and hog-cholera virus. This bill will now be sent to the President. p. 13163
20. FORESTRY. The Interior and Insular Affairs Committee ordered reported with amendment S. 3051, to provide alternatives of either private or Federal acquisition of the Klamath Indian lands which are to be sold under the Termination Act. p. D710  
Passed without amendment H. R. 6542, to authorize the conveyance of certain forest lands to the town of Dayton, Wyo. p. 13162  
The Speaker appointed as House members of the National Outdoor Recreation Resources Review Commission, pursuant to Public Law 85-470, Reps. Pfof, Ullman, Saylor, and Rhodes. p. 13247
21. TOBACCO. Passed without amendment H. R. 12840, to provide a single acreage allotment for Va. sun-cured and Va. fire-cured tobaccos if farmers vote approval in a referendum. pp. 13162-63
22. APPROPRIATIONS. Received the conference report on H. R. 11574, the independent offices appropriation bill for 1959 (H. Rept. 2237). As reported the bill deletes \$100,000 proposed by the Senate for farm-housing research. pp. 13155-58  
Received the conference report on H. R. 13121, to authorize appropriations for the Atomic Energy Commission (H. Rept. 2236). pp. 13243-45
23. AGRICULTURE HALL OF FAME. Passed as reported H. Con. Res. 295, endorsing plans of a non-government group to establish a Hall of Fame for Agriculture. p. 13165

24. FISH AND WILDLIFE. Passed as reported S. 2447, to authorize studies by Interior of the effects of insecticides, herbicides, fungicides and other pesticides upon fish and wildlife. p. 13169  
Passed as reported S. 2617, to authorize the purchase by the Secretary of the Interior of wetlands and small areas for migratory stamps. pp. 13169-70  
Passed as reported H. R. 13138, to amend the Coordination Act so as to provide more effective integration of fish and wildlife conservation programs with Federal water development programs. pp. 13170-72
25. LANDS. Passed as reported H. R. 11800, to authorize the Secretary to sell a tract of land and buildings thereon under the jurisdiction of ARS to Clifton, N. J. p. 13172
26. SMALL BUSINESS. Passed under suspension of the rules H. R. 13282, the proposed Small Business Tax Revision Act of 1959. pp. 13197-211
27. INFORMATION; LIBRARIES. Passed under suspension of the rules H. R. 13140, to provide for distribution of additional types of Government publications to depository libraries and to provide for designation of additional depository libraries. pp. 13226-28
28. PERSONNEL AWARDS. Debated under suspension of the rules H. R. 488, to provide for the conferring of an award to be known as the Medal for Distinguished Civilian Achievement. At the request of Rep. McCormack further consideration of the bill was postponed until Wed., July 23. pp. 13229-35
29. TRANSPORTATION. A subcommittee of the Merchant Marine and Fisheries Committee ordered reported with amendment H. R. 8382, to provide for the licensing of independent foreign freight forwarders. p. D711
30. MINING CLAIMS. The Interior and Insular Affairs Committee ordered reported with amendment S. 3199, to specify the period for doing annual assessment work on unpatented mineral claims. p. D710
31. COMMITTEE ASSIGNMENTS. Rep. Kilgore resigned from the Public Works Committee and was elected to the Interstate and Foreign Commerce Committee; and Rep. Young, Tex., resigned from the Post Office and Civil Service Committee and was elected to the Public Works Committee. pp. 13242-43
32. WATERSHEDS. Received from the Budget Bureau plans for works of improvement for the lower Willow Creek watershed, Mont., Whitegrass-Waterhole Creek watershed, Okla., and Little Schuylkill River watershed, Pa.; to Public Works Committee. p. 13255

#### ITEMS IN APPENDIX

33. ELECTRIFICATION. Extension of remarks of Sen. Neuberger inserting an editorial endorsing the proposed establishment of a Regional Power Corporation in the Columbia River Basin. pp. A6493-4
34. FARM PROGRAM. Extension of remarks of Rep. McGregor stating that "...the time has arrived that we recognize the serious predicament in which the farmer finds himself. It is time that we give some consideration to the rotation crop farmer." pp. A6496-8
35. LIVESTOCK. Sen. Jackson inserted two editorials criticizing the delay and failure by the Senate in not passing the humane slaughter bill which has been passed by the House. p. A6499

## INDEPENDENT OFFICES APPROPRIATION BILL, 1959

---

JULY 21, 1958.—Ordered to be printed

---

Mr. THOMAS, from the committee of conference, submitted the following

### CONFERENCE REPORT

[To accompany H. R. 11574]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11574) making appropriations for the sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 14, 19, 40, 43, 48, 49, 53, 54, 55, 59, 64, 67, 69, 75, 76, 77, 79, and 82.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 15, 16, 18, 22, 25, 33, 41, 61, 62, 63, and 73, and agree to the same.

Amendment numbered 2:

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$8,000; and the Senate agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$932,500; and the Senate agree to the same.

Amendment numbered 4:

That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$18,500,000; and the Senate agree to the same.

Amendment numbered 5:

That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$500,000; and the Senate agree to the same.

Amendment numbered 7:

That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$375,000; and the Senate agree to the same.

Amendment numbered 9:

That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows:

Restore the matter stricken by said amendment, and in lieu of the sum named therein insert \$321,400; and the Senate agree to the same.

Amendment numbered 10:

That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$255,250; and the Senate agree to the same.

Amendment numbered 11:

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$5,975,000; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$247,000; and the Senate agree to the same.

Amendment numbered 13:

That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$136,539,000; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert \$14,000,000; and the Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert \$3,750,000; and the Senate agree to the same.

Amendment numbered 24:

That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,460,000; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$132,500; and the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$18,765,000; and the Senate agree to the same.

Amendment numbered 28:

That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment as follows:

In lieu of the matter proposed by said amendment insert:

#### *GENERAL SUPPLY FUND*

*To increase the general supply fund established by the Federal Property and Administrative Services Act of 1949, as amended (5 U. S. C. 630g), \$6,250,000.*

And the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$54,500; and the Senate agree to the same.

Amendment numbered 30:

That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$7,443,000; and the Senate agree to the same.

Amendment numbered 31:

That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$62,750; and the Senate agree to the same.

Amendment numbered 32:

That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,850,000; and the Senate agree to the same.

Amendment numbered 34:

That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,362,000; and the Senate agree to the same.

Amendment numbered 35:

That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$96,000; and the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert \$3,000,000; and the Senate agree to the same.

Amendment numbered 37:

That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$11,043,000; and the Senate agree to the same.

Amendment numbered 38:

That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$184,000; and the Senate agree to the same.

Amendment numbered 39:

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$425,000; and the Senate agree to the same.

Amendment numbered 42:

That the House reeede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,250,000; and the Senate agree to the same.

Amendment numbered 44:

That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$300; and the Senate agree to the same.

Amendment numbered 45:

That the House reeede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert *thirty-four*; and the Senate agree to the same.

Amendment numbered 46:

That the House reeede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,225,000; and the Senate agree to the same.

Amendment numbered 47:

That the House reeede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$17,000,000; and the Senate agree to the same.

Amendment numbered 50:

That the House reeede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$1,000,000; and the Senate agree to the same.

Amendment numbered 51:

That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$412,500; and the Senate agree to the same.

Amendment numbered 52:

That the House reeede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment insert *purchase of fifteen passenger motor vehicles, of which fourteen shall be for replacement only*; and the Senate agree to the same.

Amendment numbered 56:

That the House reeceed from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$300,000; and the Senate agree to the same.

Amendment numbered 57:

That the House reeceed from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$130,000,000; and the Senate agree to the same.

Amendment numbered 60:

That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment as follows:

In the lieu of the sum proposed by said amendment insert \$245,000; and the Senate agree to the same.

Amendment numbered 65:

That the House reeceed from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$26,000,000; and the Senate agree to the same.

Amendment numbered 66:

That the House reeceed from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$15,344,000; and the Senate agree to the same.

Amendment numbered 68:

That the House reeceed from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment as follows:

In lieu of the number proposed by said amendment insert 140,490; and the Senate agree to the same.

Amendment numbered 70:

That the House reeceed from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$75,399,000; and the Senate agree to the same.

Amendment numbered 71:

That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$2,055,000; and the Senate agree to the same.

Amendment numbered 72:

That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment as follows:

In lieu of the matter proposed by said amendment insert *or in accordance with part D of title V of the Veterans' Benefits Act of 1957*; and the Senate agree to the same.

Amendment numbered 74:

That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$19,295,000; and the Senate agree to the same.

Amendment numbered 78:

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$50,000; and the Senate agree to the same.

Amendment numbered 81:

That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$137,500; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 17, 20, 58, and 80.

ALBERT THOMAS,  
SIDNEY R. YATES,  
JOE L. EVINS,  
EDWARD P. BOLAND,  
CLARENCE CANNON,  
C. W. VURSELL,  
HAROLD C. OSTERTAG,  
CHARLES R. JONAS,  
JOHN TABER,

*Managers on the Part of the House.*

WARREN G. MAGNUSON,  
LISTER HILL,  
ALLEN J. ELLENDER,  
A. WILLIS ROBERTSON,  
RICHARD B. RUSSELL,  
JOHN L. McCLELLAN,  
EVERETT M. DIRKSEN,  
LEVERETT SALTONSTALL,  
KARL E. MUNDT,  
CHARLES E. POTTER,  
MILTON R. YOUNG,

*Managers on the Part of the Senate.*

## STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

### TITLE I—INDEPENDENT OFFICES

#### CIVIL SERVICE COMMISSION

Amendment No. 1: Reported in disagreement.

#### FEDERAL CIVIL DEFENSE ADMINISTRATION

Amendment No. 2: Authorizes \$8,000 for the purchase of newspapers, periodicals, and teletype news services instead of \$6,000 as proposed by the House and \$10,000 as proposed by the Senate.

Amendment No. 3: Authorizes \$932,500 for expenses of travel instead of \$815,000 as proposed by the House and \$1,050,000 as proposed by the Senate.

Amendment No. 4: Appropriates \$18,500,000 for civil-defense operations instead of \$18,250,000 as proposed by the House and \$21,915,000 as proposed by the Senate.

Amendment No. 5: Makes \$500,000 available for transfer to other agencies for financing delegated responsibilities instead of \$250,000 as proposed by the House and \$2,915,000 as proposed by the Senate.

Amendment No. 6: Appropriates \$2,000,000 for civil defense research and development as proposed by the House instead of \$3,000,000 as proposed by the Senate.

#### FEDERAL COMMUNICATIONS COMMISSION

The committee of conference agrees the Commission should have flexibility in assigning personnel in order to clear backlogs in all phases of its work.

#### FEDERAL POWER COMMISSION

Amendment No. 7: Authorizes \$375,000 for expenses of travel instead of \$350,000 as proposed by the House and \$400,000 as proposed by the Senate.

Amendment No. 8: Appropriates \$6,385,000 for salaries and expenses as proposed by the Senate instead of \$6,000,000 as proposed by the House.

Amendment No. 9: Restores House language relating to funds for Federal river development projects amended to provide \$321,400 for such purpose.

## FEDERAL TRADE COMMISSION

Amendment No. 10: Authorizes \$255,250 for expenses of travel instead of \$251,250 as proposed by the House and \$259,250 as proposed by the Senate.

Amendment No. 11: Appropriates \$5,975,000 for salaries and expenses instead of \$5,950,000 as proposed by the House and \$6,000,000 as proposed by the Senate.

## GENERAL SERVICES ADMINISTRATION

Amendments Nos. 12 and 13: Authorize \$247,000 for expenses of travel instead of \$222,000 as proposed by the House and \$272,000 as proposed by the Senate; and appropriate \$136,539,000 for operating expenses of the Public Buildings Service instead of \$133,039,000 as proposed by the House and \$138,089,000 as proposed by the Senate.

Amendment No. 14: Deletes language proposed by the Senate authorizing the cost of temporary space, moving and other costs to be financed from the appropriation for "Sites and expenses of public buildings projects." The committee of conference is agreed that the General Services Administration should stop the demolition of temporary buildings in the District of Columbia that are not now in the demolition stage until the world situation clarifies itself.

Amendment No. 15: Appropriates \$39,915,000 for sites and expenses of public buildings projects as proposed by the Senate instead of \$38,000,000 as proposed by the House. Among the projects approved in the sites and planning item are the proposed Federal buildings and courthouse in Chicago, Ill.

Amendment No. 16: Strikes out House language relating to the use of funds for Federal office building No. 7 in the District of Columbia as proposed by the Senate.

Amendment No. 17: Reported in disagreement.

Amendment No. 18: Appropriates \$152,810,000 for construction of public buildings projects by direct appropriation as proposed by the Senate instead of \$177,255,000 as proposed by the House. The limit of cost approved by the conferees for the building at Dunseith, N. Dak., is \$250,000.

Amendment No. 19: Restores House language relating to the project at Milledgeville, Ga.

Amendment No. 20: Reported in disagreement.

Amendment No. 21: Appropriates \$14,000,000 for construction of Federal office building No. 6 in the District of Columbia instead of \$14,750,000 as proposed by the Senate.

Amendment No. 22: Appropriates \$1,200,000 for preparation of plans and specifications for the United States Court of Claims and Federal Office Building, Washington, D. C., as proposed by the Senate.

Amendment No. 23: Appropriates \$3,750,000 for construction of the United States Mission Building, New York City, instead of \$3,975,000 as proposed by the Senate.

Amendment No. 24: Appropriates \$3,460,000 for operating expenses of the Federal Supply Service instead of \$3,360,000 as proposed by the House and \$3,560,000 as proposed by the Senate.

Amendment No. 25: Corrects a typographical error.

Amendments Nos. 26 and 27: Authorize \$132,500 for expenses of travel instead of \$120,000 as proposed by the House and \$145,000 as proposed by the Senate; and appropriate \$18,765,000 for expenses of supply distribution instead of \$18,165,000 as proposed by the House and \$19,365,000 as proposed by the Senate.

Amendment No. 28: Appropriates \$6,250,000 to increase the capital in the general supply fund instead of \$12,500,000 as proposed by the Senate.

Amendments Nos. 29 and 30: Authorize \$54,500 for expenses of travel instead of \$50,000 as proposed by the House and \$59,000 as proposed by the Senate; and appropriate \$7,443,000 for the National Archives and Records Service instead of \$7,293,000 as proposed by the House and \$7,615,000 as proposed by the Senate. The amount approved includes \$60,000 for the microfilming of Confederate soldiers' service records, and \$90,000 for the payment of space and related costs at the Franconia, Va., records center.

Amendments Nos. 31 and 32: Authorize \$62,750 for expenses of travel instead of \$60,000 as proposed by the House and \$65,500 as proposed by the Senate; and appropriate \$1,850,000 for the Transportation and Public Utilities Service instead of \$1,800,000 as proposed by the House and \$1,900,000 as proposed by the Senate.

Amendment No. 33: Inserts technical language proposed by the Senate and deletes language proposed by the House.

Amendments Nos. 34 and 35: Authorize \$3,362,000 for operating expenses for the strategic and critical materials program instead of \$3,324,000 as proposed by the House and \$3,400,000 as proposed by the Senate; and authorize \$96,000 for expenses of travel instead of \$86,000 as proposed by the House and \$106,000 as proposed by the Senate.

Amendment No. 36: Appropriates \$3,000,000 instead of \$80,500,000 as proposed by the Senate. The conferees have approved \$3,000,000 for the discretionary use of the General Services Administration for upgrading materials if it is worthwhile. If it is not the funds should not be spent. The \$70,000,000 included by the Senate to complete reimbursement to the Commodity Credit Corporation for strategic materials has been denied in order that this phase of the stockpile program may be fully investigated and may be presented in connection with a supplemental appropriation bill.

Amendments Nos. 37 and 38: Authorize \$11,043,000 for administrative operations instead of \$10,700,000 as proposed by the House and \$11,386,000 as proposed by the Senate; and authorize \$184,000 for expenses of travel instead of \$170,000 as proposed by the House and \$198,000 as proposed by the Senate.

#### HOUSING AND HOME FINANCE AGENCY

Amendment No. 39: Authorizes \$425,000 for expenses of travel of the Office of the Administrator instead of \$400,000 as proposed by the House and \$450,000 as proposed by the Senate.

Amendment No. 40: Appropriates \$8,000,000 for salaries and expenses of the Office of the Administrator as proposed by the House instead of \$8,750,000 as proposed by the Senate.

Amendment No. 41: Deletes language proposed by the House relating to funds for administrative expenses of urban renewal pro-

grams. While the conferees have deleted the language earmarking \$6,000,000 for administrative expenses of urban renewal, they favor the program.

Amendment No. 42: Appropriates \$3,250,000 for urban planning grants instead of \$3,000,000 as proposed by the House and \$3,500,000 as proposed by the Senate.

Amendment No. 43: Deletes \$100,000 proposed by the Senate for farm housing research.

#### INTERSTATE COMMERCE COMMISSION

Amendment No. 44: Authorizes \$300 for purchase of newspapers instead of \$200 as proposed by the House and \$400 as proposed by the Senate.

Amendment No. 45: Authorizes purchase of 34 passenger motor vehicles instead of 27 as proposed by the House and 37 as proposed by the Senate.

Amendment No. 46: Authorizes \$1,225,000 for expenses of travel instead of \$1,200,000 as proposed by the House and \$1,250,000 as proposed by the Senate.

Amendment No. 47: Appropriates \$17,000,000 for salaries and expenses instead of \$16,750,000 as proposed by the House and \$17,250,000 as proposed by the Senate.

Amendments Nos. 48 and 49: Delete language proposed by the Senate.

#### NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

Amendment No. 50: Authorizes \$1,000,000 for special investigations and reports instead of \$500,000 as proposed by the House and \$1,500,000 as proposed by the Senate.

Amendment No. 51: Authorizes \$412,000 for expenses of travel instead of \$402,500 as proposed by the House and \$422,500 as proposed by the Senate.

Amendment No. 52: Authorizes purchase of 15 passenger motor vehicles instead of 14 as proposed by the House and 16 as proposed by the Senate.

Amendment No. 53: Appropriates \$78,100,000 for salaries and expenses as proposed by the House instead of \$80,100,000 as proposed by the Senate. The conferees have agreed on the House allowance of \$78,100,000, taking cognizance of the fact that the new space agency recently created by the Congress will absorb the National Advisory Committee for Aeronautics and will require additional funds over and above the Senate proposal.

Amendment No. 54: Appropriates \$23,000,000 for construction and equipment as proposed by the House instead of \$26,220,000 as proposed by the Senate for the same reasons as noted in amendment No. 53.

#### NATIONAL CAPITAL HOUSING AUTHORITY

Amendment No. 55: Restores House language appropriating \$38,000 for operation and maintenance of properties.

## NATIONAL SCIENCE FOUNDATION

Amendment No. 56: Authorizes \$300,000 for expenses of travel instead of \$275,000 as proposed by the House and \$325,000 as proposed by the Senate.

Amendment No. 57: Appropriates \$130,000,000 for salaries and expenses of the Foundation instead of \$115,000,000 as proposed by the House and \$140,000,000 as proposed by the Senate. The conferees have approved \$5,000,000 for a solar research telescope, including the access road, and \$1,500,000 for providing financial support for computer facilities. Funds for the Southern Hemisphere astrograph are not allowed and funds for support of research reactors should be provided by the Atomic Energy Commission. In connection with proposed new programs, the Foundation should develop only the most promising ones and distribute funds wisely. If after further study a program is of doubtful value, it should not be started.

Amendment No. 58: Reported in disagreement. The managers will recommend \$1,000,000 for the complete cost of an access road to the optical observatory on Kitt Peak, Ariz.

Amendment No. 59: Restores House language relating to high-school science and mathematics teachers.

## SECURITIES AND EXCHANGE COMMISSION

Amendments Nos. 60 and 61: Authorize \$245,000 for expenses of travel instead of \$230,000 as proposed by the House and \$260,000 as proposed by the Senate; and appropriate \$7,100,000 for salaries and expenses as proposed by the Senate instead of \$6,800,000 as proposed by the House.

## SELECTIVE SERVICE SYSTEM

Amendment No. 62: Deletes House language earmarking funds for local boards.

## VETERANS' ADMINISTRATION

Amendment No. 63: Deletes House language authorizing the purchase of an automobile.

Amendment No. 64: Appropriates \$147,500,000 for general operating expenses as proposed by the House instead of \$149,582,000 as proposed by the Senate.

Amendments Nos. 65 and 66: Appropriate \$26,000,000 for medical administration and miscellaneous operating expenses instead of \$21,000,000 as proposed by the House and \$28,281,000 as proposed by the Senate; and authorize \$15,344,000 for medical research instead of \$10,344,000 as proposed by the House and \$17,144,000 as proposed by the Senate.

Amendment No. 67: Appropriates \$715,465,000 for inpatient care as proposed by the House instead of \$717,267,000 as proposed by the Senate.

Amendment No. 68: Authorizes care for 140,490 beneficiaries instead of 140,800 as proposed by the House and 139,630 as proposed by the Senate.

Amendment No. 69: Deletes language proposed by the Senate.

Amendment No. 70: Appropriates \$75,399,000 for outpatient care instead of \$75,000,000 as proposed by the House and \$75,798,000 as proposed by the Senate.

Amendment No. 71: Appropriates \$2,055,000 for maintenance and operation of supply depots instead of \$2,000,000 as proposed by the House and \$2,110,000 as proposed by the Senate.

Amendments Nos. 72 and 73: Insert language proposed by the Senate relative to the method of payment of grants to the Republic of the Philippines in accordance with recent legislation; and appropriate \$1,250,000 as proposed by the Senate instead of \$1,000,000 as proposed by the House.

Amendment No. 74: Appropriates \$19,295,000 for construction of hospital and domiciliary facilities instead of \$19,145,000 as proposed by the House and \$19,445,000 as proposed by the Senate. The limit of cost for each unit of housing at Fargo, N. Dak., is not to exceed \$15,000.

Amendments Nos. 75 and 76: Delete language proposed by the Senate regarding advance payments and miscellaneous receipts.

## TITLE II—CORPORATIONS

Amendment No. 77: Authorizes \$25,000 for administrative expenses of the Federal Facilities Corporation as proposed by the House instead of \$40,000 as proposed by the Senate.

Amendment No. 78: Authorizes \$50,000 for administrative expenses of Reconstruction Finance Corporation liquidation instead of \$42,500 as proposed by the House and \$54,000 as proposed by the Senate.

Amendment No. 79: Authorizes \$400,000 for administrative expenses related to public facility loans as proposed by the House instead of \$525,000 as proposed by the Senate.

Amendment No. 80: Reported in disagreement.

Amendment No. 81: Authorizes \$137,500 for expenses of travel of the Federal National Mortgage Association instead of \$125,000 as proposed by the House and \$150,000 as proposed by the Senate.

Amendment No. 82: Authorizes \$1,800,000 for nonadministrative expenses of the Public Housing Administration instead of \$2,122,000 as proposed by the Senate.

ALBERT THOMAS,  
SIDNEY R. YATES,  
JOE L. EVINS,  
EDWARD P. BOLAND,  
CLARENCE CANNON,  
C. W. VURSELL,  
HAROLD C. OSTERTAG,  
CHARLES R. JONAS,  
JOHN TABER,

*Managers on the Part of the House.*





# House of Representatives

MONDAY, JULY 21, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

II Corinthians 4: 8: *We are troubled on every side, yet not distressed; we are perplexed, but not in despair.*

Eternal God, our Father, who art always willing and ready to reveal Thyself unto the humble spirit and the contrite heart, inspire us in these days of crisis and emergency to put our trust by Thy divine providence.

We pray that great wisdom and understanding may be given to the United Nations and the councils and conferences which are seeking to promote the spirit of amity and concord among the people of the earth.

Grant that our President, our Speaker, the Members of Congress, and all our statesmen and soldiers may be filled with an indomitable faith and courage as they strive to establish peace and righteousness.

May every citizen, the least as well as the greatest, the weakest as well as the strongest, have a share in strengthening and maintaining the morale of freedom-loving nations everywhere.

Hear us in the name of the Prince of Peace. Amen.

## THE JOURNAL

The Journal of the proceedings of Friday, July 18, 1958, was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 12541. An act to promote the national defense by providing for reorganization of the Department of Defense, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. RUSSELL, Mr. BYRD, Mr. JOHNSON of Texas, Mr. SALTONSTALL, and Mr. BRIDGES to be the conferees on the part of the Senate.

## REORGANIZATION OF THE DEPARTMENT OF DEFENSE

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 12549) to promote the national defense by providing for reorganization of the Depart-

ment of Defense, and for other purposes, with a Senate amendment thereto, disagree to the Senate amendment, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. VINSON, BROOKS of Louisiana, KILDAY, DURHAM, RIVERS, ARENDS, GAVIN, VAN ZANDT, and BRAY.

## RECESS TO RECEIVE THE PRIME MINISTER OF GHANA

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Friday, July 25, 1958, for the Speaker to declare a recess for the purpose of receiving the Prime Minister of Ghana.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## CONFERENCE REPORT ON H. R.

11547-11574

Mr. THOMAS. Mr. Speaker, I ask unanimous consent that the conferees on the disagreeing votes of the two Houses on H. R. 11547 may have until midnight tonight to file a conference report.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The conference report and statement follow:

## CONFERENCE REPORT (H. REPT. No. 2237)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11574) making appropriations for the sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 6, 14, 19, 40, 43, 48, 49, 53, 54, 55, 59, 64, 67, 69, 75, 76, 77, 79 and 82.

That the House recede from its disagreement to the amendments of the Senate numbered 8, 15, 16, 18, 22, 25, 33, 41, 61, 62, 63, and 73, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$8,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "\$932,500"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$18,500,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$500,000"; and the Senate agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$375,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment, as follows: Restore the matter stricken by said amendment and in lieu of the sum named therein insert "\$321,400"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$255,250"; and the Senate agree to the same.

Amendment numbered 11: That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,975,000"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$247,000"; and the Senate agree to the same.

Amendment numbered 13: That the House recede from its disagreement to the amendment of the Senate numbered 13, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$136,539,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$14,000,000"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$3,750,000"; and the Senate agree to the same.

Amendment numbered 24: That the House recede from its disagreement to the amendment of the Senate numbered 24, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "\$3,460,000"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$132,500"; and the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$18,765,000"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

**"GENERAL SUPPLY FUND**

"To increase the general supply fund established by the Federal Property and Administrative Services Act of 1949, as amended (5 U. S. C. 630g), \$6,250,000."

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$54,500"; and the Senate agree to the same.

Amendment numbered 30: That the House recede from its disagreement to the amendment of the Senate numbered 30, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$7,443,000"; and the Senate agree to the same.

Amendment numbered 31: That the House recede from its disagreement to the amendment of the Senate numbered 31, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$62,750"; and the Senate agree to the same.

Amendment numbered 32: That the House recede from its disagreement to the amendment of the Senate numbered 32, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,850,000"; and the Senate agree to the same.

Amendment numbered 34: That the House recede from its disagreement to the amendment of the Senate numbered 34, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,362,000"; and the Senate agree to the same.

Amendment numbered 35: That the House recede from its disagreement to the amendment of the Senate numbered 35, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$96,000"; and the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment insert "\$3,000,000"; and the Senate agree to the same.

Amendment numbered 37: That the House recede from its disagreement to the amendment of the Senate numbered 37, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$11,043,000"; and the Senate agree to the same.

Amendment numbered 38: That the House recede from its disagreement to the amendment of the Senate numbered 38, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-

ment insert "\$184,000"; and the Senate agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$425,000"; and the Senate agree to the same.

Amendment numbered 42: That the House recede from its disagreement to the amendment of the Senate numbered 42, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,250,000"; and the Senate agree to the same.

Amendment numbered 44: That the House recede from its disagreement to the amendment of the Senate numbered 44, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$300"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "thirty-four"; and the Senate agree to the same.

Amendment numbered 46: That the House recede from its disagreement to the amendment of the Senate numbered 46, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,225,000"; and the Senate agree to the same.

Amendment numbered 47: That the House recede from its disagreement to the amendment of the Senate numbered 47, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$17,000,000"; and the Senate agree to the same.

Amendment numbered 50: That the House recede from its disagreement to the amendment of the Senate numbered 50, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$1,000,000"; and the Senate agree to the same.

Amendment numbered 51: That the House recede from its disagreement to the amendment of the Senate numbered 51, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$412,500"; and the Senate agree to the same.

Amendment numbered 52: That the House recede from its disagreement to the amendment of the Senate numbered 52, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "purchase of 15 passenger motor vehicles, of which fourteen shall be for replacement only"; and the Senate agree to the same.

Amendment numbered 56: That the House recede from its disagreement to the amendment of the Senate numbered 56, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$300,000"; and the Senate agree to the same.

Amendment numbered 57: That the House recede from its disagreement to the amendment of the Senate numbered 57, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$130,000,000"; and the Senate agree to the same.

Amendment numbered 60: That the House recede from its disagreement to the amendment of the Senate numbered 60, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$245,000"; and the Senate agree to the same.

Amendment numbered 65: That the House recede from its disagreement to the amendment of the Senate numbered 65, and agree to the same with an amendment, as follows:

In lieu of the sum proposed by said amendment insert "\$26,000,000; and the Senate agree to the same.

Amendment numbered 66: That the House recede from its disagreement to the amendment of the Senate numbered 66, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$15,344,000"; and the Senate agree to the same.

Amendment numbered 68: That the House recede from its disagreement to the amendment of the Senate numbered 68, and agree to the same with an amendment, as follows: In lieu of the number proposed by said amendment insert "140,490"; and the Senate agree to the same.

Amendment numbered 70: That the House recede from its disagreement to the amendment of the Senate numbered 70, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$75,339,000"; and the Senate agree to the same.

Amendment numbered 71: That the House recede from its disagreement to the amendment of the Senate numbered 71, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,055,000"; and the Senate agree to the same.

Amendment numbered 72: That the House recede from its disagreement to the amendment of the Senate numbered 72, and agree to the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert "or in accordance with part D of title V of the Veterans' Benefits Act of 1957,"; and the Senate agree to the same.

Amendment numbered 74: That the House recede from its disagreement to the amendment of the Senate numbered 74, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$19,295,000"; and the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$50,000"; and the Senate agree to the same.

Amendment numbered 81: That the House recede from its disagreement to the amendment of the Senate numbered 81, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$137,500"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 17, 20, 58, and 80.

ALBERT THOMAS,  
SIDNEY R. YATES,  
JOE L. EVINS,  
EDWARD P. BOLAND,  
CLARENCE CANNON,  
C. W. VURSELL,  
HAROLD C. OSTERTAG,  
CHARLES R. JONAS,  
JOHN TABER,

*Managers on the Part of the House.*

WARREN G. MAGNUSON,  
LISTER HILL,  
ALLEN J. ELLENDER,  
A. WILLIS ROBERTSON,  
RICHARD B. RUSSELL,  
JOHN L. MCCLELLAN,  
EVERETT M. DIRKSEN,  
LEVERETT SALTONSTALL,  
KARL E. MUNDT,  
CHARLES E. POTTER,  
MILTON R. YOUNG,

*Managers on the Part of the Senate.*

**STATEMENT**

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the

Senate to the bill (H. R. 11574) making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

#### TITLE I—INDEPENDENT OFFICES

##### *Civil Service Commission*

Amendment No. 1: Reported in disagreement.

##### *Federal Civil Defense Administration*

Amendment No. 2: Authorizes \$8,000 for the purchase of newspapers, periodicals, and teletype news services instead of \$6,000 as proposed by the House and \$10,000 as proposed by the Senate.

Amendment No. 3: Authorizes \$932,500 for expenses of travel instead of \$815,000 as proposed by the House and \$1,050,000 as proposed by the Senate.

Amendment No. 4: Appropriates \$18,500,000 for civil defense operations instead of \$18,250,000 as proposed by the House and \$21,915,000 as proposed by the Senate.

Amendment No. 5: Makes \$500,000 available for transfer to other agencies for financing delegated responsibilities instead of \$250,000 as proposed by the House and \$2,915,000 as proposed by the Senate.

Amendment No. 6: Appropriates \$2,000,000 for civil defense research and development as proposed by the House instead of \$3,000,000 as proposed by the Senate.

##### *Federal Communications Commission*

The committee of conference agrees the Commission should have flexibility in assigning personnel in order to clear backlogs in all phases of its work.

##### *Federal Power Commission*

Amendment No. 7: Authorizes \$375,000 for expenses of travel instead of \$350,000 as proposed by the House and \$400,000 as proposed by the Senate.

Amendment No. 8: Appropriates \$6,385,000 for salaries and expenses as proposed by the Senate instead of \$6,000,000 as proposed by the House.

Amendment No. 9: Restores House language relating to funds for Federal river development projects amended to provide \$321,400 for such purpose.

##### *Federal Trade Commission*

Amendment No. 10: Authorizes \$255,250 for expenses of travel instead of \$251,250 as proposed by the House and \$259,250 as proposed by the Senate.

Amendment No. 11: Appropriates \$5,975,000 for salaries and expenses instead of \$5,950,000 as proposed by the House and \$6,000,000 as proposed by the Senate.

##### *General Services Administration*

Amendments Nos. 12 and 13: Authorize \$247,000 for expenses of travel instead of \$222,000 as proposed by the House and \$272,000 as proposed by the Senate; and appropriate \$136,539,000 for operating expenses of the Public Buildings Service instead of \$133,039,000 as proposed by the House and \$138,089,000 as proposed by the Senate.

Amendment No. 14: Deletes language proposed by the Senate authorizing the cost of temporary space, moving and other costs to be financed from the appropriation for sites and expenses of public buildings projects. The committee of conference is agreed that the General Services Administration should stop the demolition of temporary buildings in the District of Columbia that are not now in the demolition stage until the world situation clarifies itself.

Amendment No. 15: Appropriates \$39,915,000 for sites and expenses of public buildings projects as proposed by the Senate instead

of \$38,000,000 as proposed by the House. Among the projects approved in the sites and planning item are the proposed Federal buildings and courthouse in Chicago, Ill.

Amendment No. 16: Strikes out House language relating to the use of funds for Federal office building numbered 7 in the District of Columbia as proposed by the Senate.

Amendment No. 17: Reported in disagreement.

Amendment No. 18: Appropriates \$152,810,000 for construction of public buildings projects by direct appropriation as proposed by the Senate instead of \$177,255,000 as proposed by the House. The limit of cost approved by the conferees for the building at Dunseith, N. Dak., is \$250,000.

Amendment No. 19: Restores House language relating to the project at Milledgeville, Ga.

Amendment No. 20: Reported in disagreement.

Amendment No. 21: Appropriates \$14,000,000 for construction of Federal office building numbered six in the District of Columbia instead of \$14,750,000 as proposed by the Senate.

Amendment No. 22: Appropriates \$1,200,000 for preparation of plans and specifications for the United States Court of Claims and Federal Office Building, Washington, D. C., as proposed by the Senate.

Amendment No. 23: Appropriates \$3,750,000 for construction of the United States Mission Building, New York City, instead of \$3,975,000 as proposed by the Senate.

Amendment No. 24: Appropriates \$3,460,000 for operating expenses of the Federal Supply service instead of \$3,360,000 as proposed by the House and \$3,560,000 as proposed by the Senate.

Amendment No. 25: Corrects a typographical error.

Amendments Nos. 26 and 27: Authorize \$132,500 for expenses of travel instead of \$120,000 as proposed by the House and \$145,000 as proposed by the Senate; and appropriate \$18,765,000 for expenses of supply distribution instead of \$18,165,000 as proposed by the House and \$19,365,000 as proposed by the Senate.

Amendment No. 28: Appropriates \$6,250,000 to increase the capital in the general supply fund instead of \$12,500,000 as proposed by the Senate.

Amendments Nos. 29 and 30: Authorize \$54,500 for expenses of travel instead of \$50,000 as proposed by the House and \$59,000 as proposed by the Senate; and appropriate \$7,443,000 for the National Archives and Records Service instead of \$7,293,000 as proposed by the House and \$7,615,000 as proposed by the Senate. The amount approved includes \$60,000 for the microfilming of Confederate soldiers' service records, and \$90,000 for the payment of space and related costs at the Franconia, Virginia, records center.

Amendments Nos. 31 and 32: Authorize \$62,750 for expenses of travel instead of \$60,000 as proposed by the House and \$65,500 as proposed by the Senate; and appropriate \$1,850,000 for the Transportation and Public Utilities Service instead of \$1,800,000 as proposed by the House and \$1,900,000 as proposed by the Senate.

Amendment No. 33: Inserts technical language proposed by the Senate and deletes language proposed by the House.

Amendments Nos. 34 and 35: Authorize \$3,362,000 for operating expenses for the strategic and critical materials program instead of \$3,324,000 as proposed by the House and \$3,400,000 as proposed by the Senate; and authorize \$96,000 for expenses of travel instead of \$86,000 as proposed by the House and \$106,000 as proposed by the Senate.

Amendment No. 36: Appropriates \$3,000,000 instead of \$80,500,000 as proposed by the Senate. The conferees have approved \$3,000,000 for the discretionary use of GSA for upgrading materials if it is worthwhile. If

it is not the funds should not be spent. The \$70,000,000 included by the Senate to complete reimbursement to the Commodity Credit Corporation for strategic materials has been denied in order that this phase of the stockpile program may be fully investigated and may be presented in connection with a supplemental appropriation bill.

Amendments Nos. 37 and 38: Authorize \$11,043,000 for administrative operations instead of \$10,700,000 as proposed by the House and \$11,386,000 as proposed by the Senate; and authorize \$184,000 for expenses of travel instead of \$170,000 as proposed by the House and \$198,000 as proposed by the Senate.

##### *Housing and Home Finance Agency*

Amendment No. 39: Authorizes \$425,000 for expenses of travel of the Office of the Administrator instead of \$400,000 as proposed by the House and \$450,000 as proposed by the Senate.

Amendment No. 40: Appropriates \$8,000,000 for salaries and expenses of the Office of the Administrator as proposed by the House instead of \$3,750,000 as proposed by the Senate.

Amendment No. 41: Deletes language proposed by the House relating to funds for administrative expenses of urban-renewal programs. While the conferees have deleted the language earmarking \$6,000,000 for administrative expenses of urban renewal, they favor the program.

Amendment No. 42: Appropriates \$3,250,000 for urban planning grants instead of \$3,000,000 as proposed by the House and \$3,500,000 as proposed by the Senate.

Amendment No. 43: Deletes \$100,000 proposed by the Senate for farm-housing research.

##### *Interstate Commerce Commission*

Amendment No. 44: Authorizes \$300 for purchase of newspapers instead of \$200 as proposed by the House and \$400 as proposed by the Senate.

Amendment No. 45: Authorizes purchase of thirty-four passenger motor vehicles instead of twenty-seven as proposed by the House and thirty-seven as proposed by the Senate.

Amendment No. 46: Authorizes \$1,225,000 for expenses of travel instead of \$1,200,000 as proposed by the House and \$1,250,000 as proposed by the Senate.

Amendment No. 47: Appropriates \$17,000,000 for salaries and expenses instead of \$16,750,000 as proposed by the House and \$17,250,000 as proposed by the Senate.

Amendments Nos. 48 and 49: Delete language proposed by the Senate.

##### *National Advisory Committee for Aeronautics*

Amendment No. 50: Authorizes \$1,000,000 for special investigations and reports instead of \$500,000 as proposed by the House and \$1,500,000 as proposed by the Senate.

Amendment No. 51: Authorizes \$412,000 for expenses of travel instead of \$402,500 as proposed by the House and \$422,500 as proposed by the Senate.

Amendment No. 52: Authorizes purchase of fifteen passenger motor vehicles instead of fourteen as proposed by the House and sixteen as proposed by the Senate.

Amendment No. 53: Appropriates \$78,100,000 for salaries and expenses as proposed by the House instead of \$80,100,000 as proposed by the Senate. The conferees have agreed on the House allowance of \$78,100,000, taking cognizance of the fact that the new space agency recently created by the Congress will absorb the NACA and will require additional funds over and above the Senate proposal.

Amendment No. 54: Appropriates \$23,000,000 for construction and equipment as proposed by the House instead of \$26,220,000 as proposed by the Senate for the same reasons as noted in amendment No. 53.

*National Capital Housing Authority*

Amendment No. 55: Restores House language appropriating \$38,000 for operation and maintenance of properties.

*National Science Foundation*

Amendment No. 56: Authorizes \$300,000 for expenses of travel instead of \$275,000 as proposed by the House and \$325,000 as proposed by the Senate.

Amendment No. 57: Appropriates \$130,000,000 for salaries and expenses of the Foundation instead of \$115,000,000 as proposed by the House and \$140,000,000 as proposed by the Senate. The conferees have approved \$5,000,000 for a solar research telescope including the access road, and \$1,500,000 for providing financial support for computer facilities. Funds for the Southern Hemisphere astrograph are not allowed and funds for support of research reactors should be provided by the Atomic Energy Commission. In connection with proposed new programs, the Foundation should develop only the most promising ones and distribute funds wisely. If after further study a program is of doubtful value, it should not be started.

Amendment No. 58: Reported in disagreement. The managers will recommend \$1,000,000 for the complete cost of an access road to the optical observatory on Kitt Peak, Arizona.

Amendment No. 59: Restores House language relating to high school science and mathematics teachers.

*Securities and Exchange Commission*

Amendments Nos. 60 and 61: Authorize \$245,000 for expenses of travel instead of \$230,000 as proposed by the House and \$260,000 as proposed by the Senate; and appropriate \$7,100,000 for salaries and expenses as proposed by the Senate instead of \$6,800,000 as proposed by the House.

*Selective Service System*

Amendment No. 62: Deletes House language earmarking funds for local boards.

*Veterans' Administration*

Amendment No. 63: Deletes House language authorizing the purchase of an automobile.

Amendment No. 64: Appropriates \$147,500,000 for general operating expenses as proposed by the House instead of \$149,582,000 as proposed by the Senate.

Amendments Nos. 65 and 66: Appropriate \$26,000,000 for medical administration and miscellaneous operating expenses instead of \$21,000,000 as proposed by the House and \$28,281,000 as proposed by the Senate; and authorize \$15,344,000 for medical research instead of \$10,344,000 as proposed by the House and \$17,144,000 as proposed by the Senate.

Amendment No. 67: Appropriates \$715,465,000 for inpatient care as proposed by the House instead of \$717,267,000 as proposed by the Senate.

Amendment No. 68: Authorizes care for 140,490 beneficiaries instead of 140,800 as proposed by the House and 139,630 as proposed by the Senate.

Amendment No. 69: Deletes language proposed by the Senate.

Amendment No. 70: Appropriates \$75,399,000 for outpatient care instead of \$75,000,000 as proposed by the House and \$75,798,000 as proposed by the Senate.

Amendment No. 71: Appropriates \$2,055,000 for maintenance and operation of supply depots instead of \$2,000,000 as proposed by the House and \$2,110,000 as proposed by the Senate.

Amendments Nos. 72 and 73: Insert language proposed by the Senate relative to the method of payment of Grants to the Republic of the Philippines in accordance with recent legislation; and appropriate \$1,250,000 as proposed by the Senate instead of \$1,000,000 as proposed by the House.

Amendment No. 74: Appropriates \$19,295,000 for construction of hospital and domiciliary facilities instead of \$19,145,000 as proposed by the House and \$19,445,000 as proposed by the Senate. The limit of cost for each unit of housing at Fargo, N. Dak., is not to exceed \$15,000.

Amendments Nos. 75 and 76: Delete language proposed by the Senate regarding advance payments and miscellaneous receipts.

**TITLE II—CORPORATIONS**

Amendment No. 77: Authorizes \$25,000 for administrative expenses of the Federal Facilities Corporation as proposed by the House instead of \$40,000 as proposed by the Senate.

Amendment No. 78: Authorizes \$50,000 for administrative expenses of Reconstruction Finance Corporation liquidation instead of \$42,500 as proposed by the House and \$54,000 as proposed by the Senate.

Amendment No. 79: Authorizes \$400,000 for administrative expenses related to public facility loans as proposed by the House instead of \$525,000 as proposed by the Senate.

Amendment No. 80: Reported in disagreement.

Amendment No. 81: Authorizes \$137,500 for expenses of travel of the Federal National Mortgage Association instead of \$125,000 as proposed by the House and \$150,000 as proposed by the Senate.

Amendment No. 82: Authorizes \$1,800,000 for nonadministrative expenses of the Public Housing Administration instead of \$2,122,000 as proposed by the Senate.

ALBERT THOMAS,  
SIDNEY R. YATES,  
JOE L. EVINS,  
EDWARD P. BOLAND,  
CLARENCE CANNON,  
C. W. VURSELL,  
HAROLD C. OSTERTAG,  
CHARLES R. JONAS,  
JOHN TABER,

*Managers on the Part of the House.*

**PENALTY ON THE WRONG PARTY**

(Mr. JONES of Missouri asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. JONES of Missouri. Mr. Speaker, I want to call attention to a regulation recently announced by the Post Office Department, which has not been given wide publicity but which has already caused such a furor that the Post Office Department is delaying for 90 days from August 1 until November 1 the effective date of the new regulation.

An official of the Department told me today that Congress had directed the Post Office Department to collect a 5-cent penalty fee, in addition to the amount of underpaid postage, from the recipient of mail on which there is postage due. Now few Members will recall having voted to do this; in fact Congress did not do it. However, in the passage of H. R. 7910 which was passed by the Congress and became Public Law 371 on April 9, 1958, the Postmaster General was given the authority, among other things, to "prescribe by regulation from time to time the charges to be collected on delivery for any matter mailed without prepayment of any lawfully required postage or without prepayment of the full amount of the lawfully required postage. Such charges (1) shall be in addition to the payment of lawfully required postage, (2) shall not be adjusted

more frequently than once every 2 years, and so forth."

Now, on the basis of this authority it was announced that effective August 1, at the same time that the new postage rates go into effect, that where a letter is mailed with insufficient postage, the recipient shall be required to pay not only the amount of postage due, but in addition shall be required to pay a penalty of 5 cents on each such piece of mail. As stated above, the Department has already realized the confusion that would come from putting this into effect on August 1, and has already moved the date up 90 days to November 1, but I contend Mr. Speaker that it was not the intent of Congress that such an imposition be placed upon the recipient of mail. I could go into a long exposition of the inequities and confusion which will arise if this is put into effect. However, I hope other Members will join me in protesting the implementation of this ill-conceived regulation.

**CONSENT CALENDAR**

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

**DEPARTMENT OF NATURAL RESOURCES, STATE OF WASHINGTON**

The Clerk called the bill (H. R. 11694) to provide for the conveyance of certain real property of the United States situated in Clallam County, Wash., to the Department of Natural Resources, State of Washington.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Administrator of General Services shall convey on or before August 31, 1959, to the Department of Natural Resources of the State of Washington all right, title, and interest of the United States in and to the real property described in section 2 of this act, said conveyance to be made in consideration of an amount equal to 75 percent of the fair market value of said property as determined by the Administrator of General Services, a 25-percent public benefit allowance being hereby authorized inasmuch as such property administered by the said department is used extensively for park and recreational purposes. Payment of said amount shall be made in accordance with terms and conditions as shall be prescribed by said Administrator: *Provided*, That total payments shall be made not later than 8 years from the date of the conveyance herein authorized.

Sec. 2. The real property referred to in the first section of this act, all of which is situated in the county of Clallam, State of Washington, is more particularly described as follows:

Government lots 1, 2, and 3, including the second-class tideands, and the adjacent tideand in front of Government lot 4; the southeast quarter southwest quarter and southwest quarter of southeast quarter of section 22, the northwest quarter northwest quarter of section 26; the north half northeast quarter, west half southeast quarter northeast quarter, northwest quarter northeast quarter southeast quarter northeast quarter, southwest quarter northeast quarter, north half northwest quarter of section 27, all in township 31 north, range 8 west,





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

Issued July 23, 1958  
For actions of July 22, 1958  
85th-2d, No. 123

## CONTENTS

Appropriations.....1,17		
Buildings.....35		
Cotton.....13		
Country life.....34		
Electrification.....8,28		
Family farms.....2		
Farm income.....27		
Farm program.....14,21,30		
Fire fighters.....36		
Flood control.....39		
Food stamp plan.....9		
Food supply.....22		
Foreign aid.....19,23		
Forestry.....3		
Humane slaughter.....18		
Legislative program.....12,21		
Livestock.....25		
Minerals.....3,4,7,15		
Organization.....38		
Personnel.....10,33,36		
Plywood.....32		
Property.....37		
Public Law 480.....22,31		
Purchases.....37		
Reclamation.....16		
Retirement.....1		
Roads.....6		
Small business.....37		
Stabilization payments.....4,15		
Statehood.....11,20		
Textiles.....24		
Tobacco.....29		
Trade agreements.....13		
Transportation.....5		
Wool.....26		

HIGHLIGHTS: House passed supplemental appropriation bill. Senate passed trade agreements extension bill. House agreed to conference report on independent offices appropriation bill. Rep. Sullivan urged enactment of food stamp plan.

## HOUSE

1. APPROPRIATIONS. Passed with amendment H. R. 13450, the supplemental appropriation bill for 1959 (pp. 13362-380). A point of order was sustained against an amendment by Rep. Gross that would have provided that none of the funds would be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress (p. 13380). See Digest 121 for items of interest to this Department.

Agreed to the conference report on H. R. 11574, the independent offices appropriation bill for 1959, and acted on amendments in disagreement. Voted to insist on disagreement to a Senate amendment which would delete the House language providing for Federal payment of \$589 million to the Civil Service Retirement and Disability Fund. pp. 13356-62

The Appropriations Committee reported without amendment H. R. 13489, the Defense Department military construction appropriation bill for 1959 (H. Rept. 2238). pp. 13355, 13384

2. FAMILY FARMS. The "Daily Digest" states as follows: "Committee on Agriculture: Subcommittee on Family Farms met in executive session to continue consideration

of H. R. 11844 and H. R. 12239, bills establishing a country life commission. The committee amended H. R. 11184, and voted to report a clean bill, incorporating such amendments, to the full committee." p. D716

3. FORESTRY. A subcommittee of the Interior and Insular Affairs Committee ordered reported with amendment S. 1748, to add certain lands in Idaho and Wyo. to the Caribou and Targhee National Forests, and S. 2517, to authorize the States to choose mineral lands in making selections in lieu of sections of public lands occupied before State claims were made. p. D717
4. MINERALS. A subcommittee of the Interior and Insular Affairs Committee ordered reported with amendment S. 4036, to provide stabilization payments to certain minerals producers. p. D717
5. TRANSPORTATION. Conferees agreed to file a report on S. 3778, the omnibus transportation bill. p. D718
6. ROADS. The Public Works Committee ordered reported H. R. 12808, to amend the Federal-Aid Highway Act so as to extend for an additional two years the approved basis for the apportionment of funds for the Interstate Highway System. p. D718
7. MINERAL LEASES. Conferees were appointed on S. 2069, to amend the Mineral Leasing Act so as to increase the aggregate acreage of coal leases which may be held by one person in any one State. Senate conferees have been appointed. p. 13380
8. ELECTRIFICATION. Agreed to the conference report on H. R. 13121, authorization for appropriations for AEC projects for 1959. p. 13362
9. FOOD STAMP PLAN. Rep. Sullivan urged amendment of S. 3420, to extend Public Law 480, to include provisions authorizing the establishment of a food stamp plan. She stated that "Public Law 480 is a food-stamp plan for the whole world - except for our own hungry." pp. 13355-56
10. PERSONNEL AWARDS. Rep. Mainwright spoke in favor of legislation to provide a Medal for Distinguished Civilian Achievement. p. 13356
11. STATEHOOD. Rep. Saylor urged immediate consideration of legislation to provide statehood for Hawaii. pp. 13381-82
12. LEGISLATIVE PROGRAM. At the request of Rep. McCormack unanimous consent was granted for the call of the private calendar on Tues., July 29, and for taking up bills under suspension of the rules on that day. p. 13355

#### SENATE

13. TRADE AGREEMENTS. Passed, 72 to 16, with amendments H. R. 12591, to amend and extend the Reciprocal Trade Agreements Act (pp. 13283, 13291-13350). Senate conferees were appointed. House conferees have not been appointed. Adopted the following amendments:
  - By Sens. Johnson and Knowland, 63 to 27, to strike from the bill sections 6 and 7, which would have provided that the President could override recommendations of the Tariff Commission only with the concurrence of the Congress (pp. 13291-13304);
  - By Sen. Morse, to consider growers of a commodity as a part of the industry in assessing injuries under the escape clause (pp. 13325-30);

# House of Representatives

TUESDAY, JULY 22, 1958

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:  
Hebrews 13: 6: *The Lord is my helper, and I will not fear what man shall do unto me.*

Almighty God, may this moment of prayer inspire us with a new awareness of our spiritual resources.

Show us how we may lift and lessen the burdens and fears which weigh so heavily on many members of the human family.

Grant that we may be the messengers and mediators of hope and helpfulness in solving difficult national and international problems.

We pray that all who hold positions of leadership in the affairs of government may be the honored servants of the Lord in guiding our Nation and all mankind in the ways of righteousness.

May the legislation that we are seeking to propose and enact here redound to Thy glory and the welfare of humanity.

Hear us in Christ's name. Amen.

## THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 7902. An act to authorize travel and transportation allowances in the case of certain members of the uniformed services;

H. R. 10321. An act to authorize the Secretary of Agriculture to exchange lands comprising a portion of the Estes Park Administrative Site, Roosevelt National Forest, Colorado, and for other purposes;

H. R. 11253. An act to authorize the Secretary of Agriculture to exchange land and improvements with the city of Redding, Shasta County, Calif., and for other purposes;

H. R. 11504. An act to amend title 10 of the United States Code to permit enlisted members of the Naval Reserve and Marine Corps Reserve to transfer to the Fleet Reserve and the Fleet Marine Corps Reserve on the same basis as members of the regular components.

H. R. 11626. An act to amend section 6911 of title 10, United States Code, to provide for the grade, procurement, and transfer of aviation cadets;

H. R. 11700. An act to authorize civilian personnel of the Department of Defense to carry firearms; and

H. R. 12161. An act to provide for the establishment of townsites, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is re-

quested, bills of the House of the following titles:

H. R. 11636. An act to repeal section 6018 of title 10, United States Code, requiring the Secretary of the Navy to determine that the employment of officers of the Regular Navy on shore duty is required in the public interest; and

H. R. 12628. An act to amend title VI of the Public Health Service Act to extend for an additional 3-year period the Hospital Survey and Construction Act.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 2933. An act to extend the life of the Alaska International Rail and Highway Commission and to increase its authorization;

S. 3248. An act to authorize the Secretary of Agriculture to exchange lands comprising the Pleasant Grove Administrative Site, Uinta National Forest, Utah, and for other purposes;

S. 3439. An act providing for the reconveyance to Salt Lake City, Utah, of the Forest Service fire warehouse lot in that city;

S. 3741. An act to facilitate administration and management by the Secretary of Agriculture of certain lands of the United States within national forests;

S. 3951. An act to amend the act of June 7, 1897, as amended, and section 4233A of the Revised Statutes, so as to authorize the Secretary of the Treasury to prescribe day signals for certain vessels, and for other purposes;

S. 4004. An act to encourage and authorize details and transfers of Federal employees for service with international organizations; and

S. J. Res. 106. Joint resolution to establish a commission to investigate the utilization of the radio and television frequencies allocated to the agencies and instrumentalities of the Federal Government.

## MILITARY CONSTRUCTION, DEPARTMENT OF DEFENSE, APPROPRIATION, 1959

Mr. SHEPPARD, from the Committee on Appropriations, reported the bill (H. R. 13489) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1959, and for other purposes (H. Rept. No. 2238), which was read the first and second time and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. JONAS reserved all points of order on the bill.

## PRIVATE CALENDAR TO BE CALLED ON TUESDAY, JULY 29

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order on Tuesday, July 29, for the Private Calendar to be called.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## LEGISLATIVE BUSINESS UNDER SUSPENSION OF THE RULES ON TUESDAY, JULY 29

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it may be in order on Tuesday, July 29, for the Speaker to recognize for suspension of the rules.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

## AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT

Mrs. SULLIVAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Missouri?

There was no objection.

Mrs. SULLIVAN. Mr. Speaker, a roll-call vote has been demanded for tomorrow on S. 3420, to extend and amend the Agricultural Trade Development and Assistance Act of 1954—Public Law 480—which we debated briefly yesterday under suspension of the rules.

Members from urban areas, particularly, should vote against passage of this bill under suspension and insist it be brought before the House in the regular order so that it can be amended to include a food stamp plan.

I call to the attention of all Members with substantial numbers of constituents who are on public assistance a tabulation which I placed in the RECORD yesterday at page 13188. Members from Alabama, Florida, Georgia, Louisiana, North and South Carolina, Tennessee, Texas, and Virginia will be startled and impressed, I am sure, by the information shown for their States. They will see at a quick glance why the needy of their States should have a better method of distribution of surplus food.

Public Law 480 is a food-stamp plan for the whole world—except for our own hungry.

I call to the attention of Members from other States—particularly to the Democrats from city districts with high unemployment—the facts about their States in that tabulation on page 13188 of yesterday's RECORD. I refer to the delegations from California, Colorado, Illinois, Indiana, Kentucky, Maryland, Massachusetts, Minnesota, Missouri, Montana, New Jersey, New York, Ohio, Oregon,

Pennsylvania, Rhode Island, Washington, and Wisconsin. Each of those States has thousands upon thousands of needy persons—people on public welfare—who get no surplus food under the present distribution program.

Mr. Speaker, the reason a food-stamp plan has not been reported out by the Committee on Agriculture is that the Republicans on that committee invoked a Soviet Russian type of veto by rushing out of committee meeting so no quorum would be present. I do not think the needy of our cities should be denied a food-stamp plan as a result of such a veto.

Mr. Speaker, I urge those Members who look up the tabulation I refer to in yesterday's RECORD to do one more thing: Look up another tabulation I am placing in the Appendix of today's RECORD showing that we donate to needy persons abroad nearly four times as much free food as we do to our own needy. Why not also take care of our own desperately poor?

#### UNITED STATES PAVILION AT BRUSSELS WORLD FAIR

(Mr. MORANO asked and was granted permission to extend his remarks at this point in the RECORD.)

Mr. MORANO. Mr. Speaker, I have not been one of the Americans who have heaped general criticism on our United States pavilion at the Brussels World Fair.

However, I have from the very beginning urged that a more representative group of American painters be exhibited than the collection of unknown artists and abstract paintings which were chosen for display.

Some time ago, Commissioner General Howard Cullman informed me that collections of great American artists had been acquired and would be displayed in addition to the existing exhibition at our pavilion. These were to be in the United States Ambassador's official residence in Brussels, and the Commissioner General's office at the fair.

The uselessness of this arrangement was brought home to me just 1 month ago when visitors to the fair complained that the great majority of Europeans and most American visitors had no access to either exhibit.

I remarked on the foolishness of this secret exhibit on the House floor, and urged that these paintings be displayed for all to see.

Today I am happy to learn that a good representative group of American paintings acquired from the Whitney Museum in New York will be moved from the Commissioner General's office into the main pavilion.

I am sure all Americans will applaud this move.

#### CORRECTION OF THE RECORD

Mr. BROWNSON. Mr. Speaker, I ask unanimous consent to make two corrections in my remarks on page 13239 of the RECORD of July 21. In column 1, paragraph 2 of my remarks, the figure "\$684,523.18" should be stricken and "\$484,037.60" substituted. In column 2,

paragraph 3, the figure "\$170,373.70" should be stricken and "\$319,888.12" be substituted.

The SPEAKER. Without objection, the corrections will be made.

There was no objection.

#### MEDAL FOR DISTINGUISHED CIVILIAN ACHIEVEMENT

(Mr. WAINWRIGHT asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. WAINWRIGHT. Mr. Speaker, my colleague and good friend from New Jersey, FRANK THOMPSON, and I are co-sponsors of a proposal to provide a Medal for Distinguished Civilian Achievement. Originally President Eisenhower proposed a commission to award our outstanding scientists, artists, authors, and other creative people in the field of the arts. This measure, which I introduced, was defeated by the House Education and Labor Committee on the grounds that the commission might have Communists on it, despite the fact that it passed the Senate unanimously.

The Medal for Distinguished Civilian Achievement, while not as desirable as the original proposal, is a positive and constructive step in the right direction. England has her Royal Academy of Arts and Sciences, France has her National Academy of Sciences, and Russia has gone out of its way to pay tribute to those who make great contributions to the advancement of our civilization, particularly in the fields of the arts and sciences. For some extraordinary reason Members of Congress tend to be suspicious of this sort of thing. How ridiculous. National recognition for those in our society who make outstanding contributions serves the national weal—a subject in which we are especially aroused at this time. My congratulations to Mr. THOMPSON for his energy in having brought this to a vote.

#### INDEPENDENT OFFICES APPROPRIATION BILL, 1958—CONFERENCE REPORT

Mr. THOMAS. Mr. Speaker, I call up the conference report on the bill (H. R. 11574) making appropriations for the sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House July 21, 1958.)

Mr. THOMAS. Mr. Speaker, I do not think there is anything in this conference report that will give anybody any trouble. We are bringing back four items in disagreement. On one there will be some argument, no doubt. The other

three are technical items in disagreement and should not give anybody any trouble.

Does the gentleman from Illinois [Mr. VURSELL] wish any time on the conference report?

Mr. VURSELL. We will want time on the first amendment.

Mr. THOMAS. But not on the conference report?

Mr. VURSELL. No.

Mr. THOMAS. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

#### CALL OF THE HOUSE

Mr. GROSS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently no quorum is present.

Mr. ALBERT. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

#### [Roll No. 138]

Bass, Tenn.	Fulton	Philbin
Blitch	George	Poage
Boggs	Gordon	Powell
Buckley	Gwinn	Preston
Burdick	Halleck	Prouty
Carnahan	Healey	Radwan
Celler	Hoeven	Sadlak
Christopher	Hoffman	Santangelo
Clark	Jackson	St. George
Cooley	James	Scott, N. C.
Coudert	Jenkins	Shelley
Dawson, Ill.	Johansen	Shuford
Devereux	Kearney	Smith, Kans.
Dies	LeCompte	Staggers
Diggs	Lesinski	Stauffer
Dowdy	Macdonald	Talle
Eberharter	Michel	Taylor
Edmondson	Mitchell	Trimble
Engle	Morris	Williams, N. Y.
Farbstein	Moulder	Winstead
Friedel	Nix	

The SPEAKER. On this rollcall 364 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

#### COMMITTEE ON EDUCATION AND LABOR

Mr. BARDEN. Mr. Speaker, I ask unanimous consent that the Committee on Education and Labor be permitted to sit this afternoon while the House is in session during general debate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

#### INDEPENDENT OFFICES APPROPRIATION BILL, 1959—CONFERENCE REPORT

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 4, line 6, strike out lines 6 through 23.

Mr. THOMAS. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

Mr. VURSELL. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

Mr. THOMAS. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. YATES].

Mr. YATES. Mr. Speaker, the question that is presented to the House by this amendment is one that the House previously considered and upon which it sustained the committee. The question is whether or not the Congress should contribute \$589 million to the Civil Service Retirement Fund in order to keep it from incurring a greater deficit. The Civil Service Retirement Fund now has a deficit of between \$17 and \$19 billion. The question that is before the House at this time is whether that deficit shall be increased by \$589 million or the Congress should make the contribution, which will do nothing more than keep the present deficit at its current level.

Under existing law, employees are required to make a contribution of 6.5 percent of their salaries to the fund. The Government of the United States also makes a contribution in the same amount to the fund. The 13 percent so contributed by the employees and by the Government is still inadequate to prevent a deficit because in order to keep the fund actuarially sound, a contribution of 19 percent plus must be made. Five hundred and eighty-nine million dollars, which is the subject of our discussion today, is the difference between the 13 percent contributed by the employees and the Federal Government and the amount needed to keep the fund on a sound basis.

Every governmental activity, whether it be municipal, State, or Federal, which has established a retirement system for its employees, has set apart a special fund for the payment of retirement benefits. Such a fund was established under the Federal Civil Service System. We are asking that the fund be maintained. Those who oppose making the \$589 million payment are arguing against the special fund concept. They maintain that no fund is necessary, that we can forego payments to it and can rely upon the general credit of the Government, rather than on the special fund. Such a position calls for a nightmarish financing policy. It argues for dissipation of the fund and lets the beneficiaries rely on the temperament of future Congresses to make the appropriations necessary to pay their benefits. If the Congress does not vote sufficient appropriations, benefits in the future will not be paid. Is this keeping faith with our Federal employees?

If the fund is to be kept at its current level, the Congress is supposed to contribute as well an amount which will equal an interest payment on the amount of that fund. That sum for this year is \$589 million. We contend that it is only just and proper in the name of fiscal responsibility to provide for meeting the obligations of the Federal Government as they mature. We contend it is an obligation of the Federal Govern-

ment to make this contribution in order to play fair and to keep faith with the employees of the United States.

In the last 8 years the deficit in this fund has increased by about \$9 billion or \$10 billion, because we have not made necessary contributions. In 1956, acting upon the recommendation of the President of the United States, and acting upon the recommendation of the Congress, a study was made of the civil service retirement fund by the Board of Actuaries of the Civil Service Retirement and Disability Fund and by the Comptroller General. This was the recommendation of that group. I read from page 12 of that report, the last four paragraphs. It says this:

No regular Government appropriation was made for the fiscal year 1955, but, in spite of this, Public Law 747, 83d Congress, was passed, adding approximately \$222 million to the obligations of the fund for increases in annuities.

We passed laws which increased the amount of retirement benefits, but we do not put the money in the fund in order to pay the beneficiaries. All we are asking here is to put sufficient money in the fund to permit payments to be made to the beneficiaries.

I quote again:

In paying the increased annuities the contributions made by employees and by the Government in the past are being dissipated and thus the reserves for prospective annuities to present employees are being diminished. If the Congress desires to pay these additional annuities, it would seem that it should be willing to pay for their cost and not charge it against past appropriations, or let the cost accumulate to be met from future appropriations.

That is exactly what the gentleman from Illinois [Mr. VURSELL] proposes and what the gentleman on the left-hand side of the aisle want to do. They want to let the benefits for the future be met by future appropriations.

I continue quoting:

As stated elsewhere in this report, the Committee on Retirement Policy for Federal Personnel recommends that a systematic method of financing the fund be adopted and specifically as soon as practicable the "normal plus interest basis be used.

That is what we are asking for, that the normal plus interest base be used.

I quote again:

In his message transmitting to the Congress the budget of the United States Government for the fiscal year 1956, the President stated.

And listen to this:

The President stated that the committee's report established the necessity for a sound and lasting financial basis for the civil-service retirement system. We are urging only that this recommendation of the President be followed. Again I recall from the report:

For many years the Board of Actuaries has consistently recommended that appropriations to the civil-service retirement and disability fund be made on a full reserve funding method which would provide for the funding of the accrued liability by 1998. The Board still considers that this method of financing is the best method to follow. However, since a number of other governmental plans are now being financed on a "normal plus interest" basis, and since the Committee on Retirement Policy recommended this method, the Board agrees with

the committee that the specification of the "normal plus interest" method of financing would be a very great improvement over the present unsound method of allowing deficits to accumulate.

The Board recommends further that the appropriation determined in the method specified be included in the annual budget just as salaries and other expenses of the Government are included.

Since the amounts required under the "normal plus interest" method of financing depend on the liabilities of the Government as determined by actuarial valuation, the Board recommends that a legislative act provide the means for maintaining adequate records of the membership necessary for making periodic valuations and for the actual work of the valuation.

We are contending for fiscal responsibility. It is sheer fiscal irresponsibility to defer this obligation until some unknown future date to be made up by appropriations requested of a future Congress. We contend that the fund should be able to pay for the retirement benefits as they come due. We want the fund to be able to make payments to employees of the United States. We want to keep faith with those employees. We believe it is undesirable to rely upon the fancy of a hard-pressed future Congress to appropriate \$2 billion, or \$3 billion or \$4 billion which may be necessary in order to meet the retirement benefits that are due at that time. I ask you to sustain your committee.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. YATES. I yield.

Mr. GROSS. This fund is now better than \$15 billion in the red; is that not correct?

Mr. YATES. The latest figures are that it is from \$17 billion to \$19 billion in the red. If the action of the minority is agreed to, it will increase the deficit by an additional half billion dollars or by about \$589 million.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. THOMAS. Mr. Speaker, I yield 5 minutes to the gentleman from Illinois [Mr. VURSELL].

(Mr. VURSELL asked and was given permission to revise and extend his remarks.)

Mr. VURSELL. Mr. Speaker, this is a rather serious situation in these troublesome times that we are in at the present time. The question is whether or not you want the Federal Government to go out and borrow \$589 million and pay into this retirement fund. If you do that, it is going to cost the Government more, and in fact it is not necessary that it be done at this time. Maybe there are some of you who would like to have ten or twenty billion paid on the national debt. It would be a great deal smarter, perhaps, to do that. But it is not quite the time to do it and we do not have the money with which to do it.

I have had this matter up with the Civil Service Commission. I have had this matter up with the Bureau of the Budget. I think we are all willing to agree that one of the most brilliant men we have ever had in charge of the budget is the one we have at the present time, Mr. Maurice H. Stans. Here is his argument. I am at liberty to quote it. I got this from him some time ago. He said:

To imply that because it is not fully funded, the retirement fund is being somehow mismanaged and that it is bankrupt is to call into question the full faith and credit of the United States Government. The Retirement Act promises to make certain payments under specified conditions, and regardless of the size of the balance in the retirement fund at any particular time, these benefits will be paid because the promise to do so is backed by the full faith and credit of the Government. There are no conditions attached. It is a perfectly open and straightforward obligation.

While there are very strong reasons for full funding of private pension plans, these reasons do not apply in the case of the Civil Service Retirement System. The most important reason for full funding of private funds is to assure employees that they will receive the benefits they have earned even though the employer may go out of business. We have never thought it necessary to make provisions for the Federal Government going out of business.

Now that is a pretty strong statement. But let us go a little further. Here is the situation. You have \$650 million going into the fund, paid by the Federal Government in this bill. You have \$650 million, roughly, going into this fund that will be paid by the employees. That is over \$1,250,000,000. In other words, with some other funds, there is \$1,547,000,000 going into this fund in 1959. We pay out only \$712 million. Does that look like the fund is bankrupt or going bankrupt? Is the fund as near bankrupt as is the Federal Government—the Federal Government that we are trying to make pay an extra \$589 million in this bill? I think that Members on both sides of the House ought to take a realistic look at this thing. This fund is going to be sound for years and years ahead, nearly 18 years ahead, whether we put any money into it or not. But we do not intend to continue to neglect this. The only thing is we do not think it is good business to increase the national debt; we do not think it is good business to borrow money to pay into a fund that cannot use it and will not use it. We think it just as well to let the Government pay the interest on this money at a later date. We just do not think we ought to continue to increase the national debt unless it is necessary.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. VURSELL. I yield to the gentleman from North Carolina.

Mr. JONAS. Is not the full faith and credit of the United States pledged against this obligation to the same extent as against Government bonds?

Mr. VURSELL. The gentleman is right.

Mr. JONAS. And is it not true that we do not find it necessary to fund pensions and retirement benefits for our military personnel?

Mr. VURSELL. That is right. The gentleman is absolutely correct.

May I close by just saying this: We had better be trying to protect the financial solvency of this Government. We have had opportunity to prevent obligations of billions of dollars in this very Congress, and we are going to have an opportunity to prevent the obligation and appropriation of extra billions of dollars that are absolutely not necessary before

this Congress adjourns. So if we are going to do that, why are we not willing to use business judgment in this instance? The fund is as sound and as good as is the financial solvency of the Federal Government. I hope we will not press our own Government harder and harder and bring additional expenses which in this particular instance are absolutely not justified, absolutely not in the category of necessity.

Mr. MORANO. Mr. Speaker, will the gentleman yield for a question?

Mr. THOMAS. I yield to the gentleman from Connecticut.

Mr. MORANO. Was a vote taken on this in the House previously?

Mr. THOMAS. Yes.

Mr. MORANO. Was it a rollcall vote, a voice vote, or a division?

Mr. THOMAS. I believe it was a division vote; we were counted.

Mr. MORANO. The gentleman is sure it was not a rollcall vote?

Mr. THOMAS. That is correct.

Mr. MORANO. I thank the gentleman.

Mr. THOMAS. Mr. Speaker, I yield 3 minutes to the gentleman from Tennessee [Mr. EVINS].

Mr. EVINS. Mr. Speaker, the conferees on this bill have labored long and hard. There were some 82 amendments in disagreement. They have all been resolved except the one which is presently before the House, and this issue has been before the House on several occasions. The issue is whether the Federal Government should be fiscally responsible—whether monetary payments should be made into the civil-service retirement fund. Our Government employees make payments into the fund. The employees of the Government who are in this system have a deduction taken out of their pay checks each pay day, which is paid into this fund. The question is whether the Federal Government should not do likewise to keep the fund solvent.

It is not legally proper, it is not morally proper, it is not right for the Government to default, and to continue to default, on its payments to the retirement fund.

We hear a great deal about Government fiscal responsibility. If we want to contribute to fiscal responsibility of the Government, the Government should live up to its legal and moral obligations and we should set this fund in order.

The gentleman from Tennessee, Chairman MURRAY, of the House Committee on Post Office and Civil Service, sees it this way. The gentleman from Kansas [Mr. REES], the minority member of the Civil Service Committee, has also spoken in favor of this position. I hope the House will instruct their conferees to go back and stand by the position of the House and be firm in this situation.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. EVINS. I yield to the gentleman from Massachusetts.

Mr. BOLAND. With respect to the argument made by the gentleman from North Carolina [Mr. JONAS] whether or not this fund is similar to the military retirement fund, he said we did not make such payments to the military retirement

fund, and why should we do so in this instance. Is it not a fact that the Government does not contribute to the military retirement fund and that is the big difference between both retirement systems?

Mr. EVINS. The gentleman is correct. The two systems are entirely dissimilar. I certainly think the House should instruct the conferees to stand by their previous position and be firm in this situation. I trust the Members will not recede and yield to the Senate conferees in this instance.

Mr. THOMAS. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, there is not any question involved here of the failure of the United States to meet its obligations. Sometimes there has been an appropriation for what they thought was the requirement for payments to beneficiaries of the retirement fund; sometimes there has not been. At this particular time there are several billions of dollars in this fund—as I remember, about \$7 billion. The fund is taking in \$1½ billion a year and paying out about half of that, or a little over \$700 million.

If this money is placed in the bill in accordance with the language that was there when it passed the House, the only effect would be that we would draw on the Treasury for that amount and we would have to borrow the money. After the money had been borrowed, it would then be invested in a note or in bonds of the United States for the same amount that was appropriated. The full faith and credit of the United States is pledged for payment of whatever there is due to anyone under this retirement plan.

Outside of the one thing of pushing up the book deficit and charging up to the national debt the amount of the investment, there is no reason at all for providing this fund.

Mr. CORBETT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. CORBETT. I would like to ask the gentleman one question. He knows that no one has been more friendly to these retirement payments than the Speaker. What difference does it make to the individual who will eventually get an annuity whether the money is due and owing to him from the fund or from the Treasury of the United States? Is he not just as secure either way?

Mr. TABER. Either way. There is not the slightest difference.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Wisconsin.

Mr. BYRNES of Wisconsin. I am wondering whether fundamentally you do not come down to the question of whether this obligation or this liability to these people is figured in the national debt or not figured in the national debt? Is it not basically the bookkeeping feature of it that is the nub of it?

Mr. TABER. That is about the whole story. We are still taking in a lot more money, about double the amount of money we are paying out.

Here is another thing I want to call attention to and that is the second part of the amendment after the proviso which appears in line 12 that prohibits the payment of any money out of the fund to any annuitant where there has been an increase in the payments to the beneficiaries, unless an appropriation is made to cover it and unless the statute itself provides for the levying of the fund that will support the increase.

Now, we just passed a bill, Public Law 465, 85th Congress, which added 10 percent to the annuitants with a limitation that no annuitant shall receive more than \$500 per year, and also provided for payments to the unremarried widow or widower of an employee. No provision was made there for any payments to the annuity fund. No provision was made for anything of that character. That bill was approved on the 25th of June last.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Illinois.

Mr. YATES. The gentleman stated that there was no fundamental difference in the obligation of the United States whether the money was in the civil-service retirement fund or whether it had to be appropriated in the Congress. There is a very significant difference. In one instance, where you have the money in the fund, the funds are paid to the beneficiaries by the Civil Service Retirement Board. In the other case the Congress of the United States must appropriate sufficient money to pay the benefits that are due. Is that not correct?

Mr. TABER. That would not be anything more than what is being done in this attempt, but you would not have just an awfully big jump in the public debt. Now, I do not know; maybe it is desirable to have all the public debt out in one spot where you can look at it. Maybe it would be. If you were going to do it that way, you should figure out and prove what the whole requirement to the retirement fund would be and not just take a little bite at it like this, because that does not make any sense at all.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Tennessee.

Mr. EVINS. I believe the gentleman will agree that this is not a little bite as he suggests. It is a substantial sum which the Civil Service Commission itself has recommended be appropriated into the fund. The Bureau of the Budget is the one that is fighting to keep it out.

Mr. TABER. Well, the Bureau of the Budget is showing better sense than the Civil Service Commission.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. KEATING. Mr. Speaker, I want to ask the gentleman this question: I was very much interested in this legislation which we enacted here to increase payments to those people who had already

retired. Now, would that legislation be placed in jeopardy if we reinstated the House bill and did not concur in the Senate amendment?

Mr. TABER. Well, I would not say that it would, because that has already been passed and the appropriation bill has not been passed. But, here is where the interesting thing comes in. Here is an attempt to say that no payments shall be made to any future annuitant where an increase has been given and this bill that was passed on the 25th of June does not carry any of the provisions that would make it apply to or conform to the language that is in the latter part of this amendment. That means that the Congress, when it passed the bill, did not feel that that should be done. Now, I do not know which way they feel, but they ought to keep feeling the same way at least as long as 1 month.

Mr. KEATING. It strikes me that if we reinstate the language of the House bill, it might be construed as placing in jeopardy the increase which we voted in the basic legislation before. That is what I would like to have cleared up.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from North Carolina.

Mr. JONAS. I do not think that would apply at all, and I call attention to the language in the bill on page 4, line 19. That language applies only to increased benefits made after the enactment of this act.

Mr. KEATING. After the enactment of the Appropriation Act?

Mr. JONAS. After the enactment of this act; the bill to which the gentleman refers has already become law, has already been signed by the President and, in my opinion, could not be affected by this language.

Mr. KEATING. I thank the gentleman for his explanation.

Mr. TABER. The point is that it shows the Congress did not agree with what is in amendment No. 1 at the time that increased annuity was passed on June 25, 1958.

Mr. THOMAS. Mr. Speaker, I yield 5 minutes to the distinguished chairman of the Committee on Post Office and Civil Service, the gentleman from Tennessee [Mr. MURRAY].

(Mr. MURRAY asked and was given permission to revise and extend his remarks.)

Mr. MURRAY. Mr. Speaker, ever since I have been given the honor of serving as chairman of the Committee on Post Office and Civil Service I have been deeply concerned over the conditions of our retirement fund. When I became chairman of the committee the deficit was approximately \$9 billion. Today the deficit is approximately \$19 billion.

Here is a letter that I received from the Civil Service Commission on November 18, 1957:

You are aware, I am sure, that the agency matching of employee deductions does not fully meet the Government's share of the cost of retirement. Unless this difference is appropriated directly to the retirement fund each year, there will be an annual increase of more than one-half billion dollars in the

deficiency, which is currently about \$18 billion.

I conferred with officials of the Civil Service Commission today and was advised that the deficit is now approaching \$19 billion. The Government's contribution is 6½ percent of total salaries to this fund. The employee contributes 6½ percent. It takes 19.31 percent to pay the annuities each year. The 6½ percent contribution by the Government plus the 6½ percent contribution by the employee totals 13 percent. It takes 6.31 percent more to keep this fund in balance each year. If this provision is kept in the bill—and the House has already passed on this, last March, and I am sure it will again ratify that position—but if this appropriation of \$589 million is kept in the bill, the deficit will still be between \$18 billion and \$19 billion.

I say that the Congress is partly responsible for this ever-increasing deficit because, since 1948, we have increased annuities 6 different times. I have opposed some of these increases. I opposed the last increase, but the Congress saw fit to increase these annuities. Yet we are doing nothing about the retirement system from the standpoint of financial responsibility. We should start contributing each year to this fund the additional 6.31 percent, which amounts to \$589 million. Where is our sense of financial responsibility in this matter? It is just as though Congress were providing salary increases for Federal employees but not appropriating the money to take care of the salary increases. This retirement fund must be kept on a sounder basis. If the Congress does not want to increase our appropriations to the fund each year, let us stop increasing the annuities, as we have done 6 times during the past 10 years.

Mr. VURSELL. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. I am glad to yield.

Mr. VURSELL. Would there not be a doubt in the gentleman's mind, even if we put in the extra \$589 million, that the Committee on Appropriations could appropriate fast enough to keep up with the spenders to whom the gentleman has referred, who continue to increase this fund all the time? If I am right in that, then I suggest the way to protect this fund and protect the Federal Government, which contributes a part of this fund, is to get a little more economy and quit loading this fund up all the time.

Mr. MURRAY. I agree with the gentleman in his observation as to economy but as long as Congress sees fit to increase these annuities it is the duty of Congress to increase these appropriations every year to protect this fund.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Tennessee.

Mr. EVINS. Does the gentleman feel that it is morally right for each employee every month to make a contribution into the fund and the Government not match it, as required by law?

Mr. MURRAY. The Government does match it. The employee pays 6.5 percent and the Government pays 6.5 per-

cent, but it takes 19.31 percent to make the payments.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I have listened to this argument. The very fact is that there is a potential liability existing all the time.

Mr. MURRAY. Certainly.

Mr. BOLAND. Mr. Speaker, will the gentleman yield?

Mr. MURRAY. I yield to the gentleman from Massachusetts.

Mr. BOLAND. As a matter of fact, the potential liability in 1980 will be \$1,250,000,000. If we fail to do today what should be done in that, it will take a direct appropriation by Congress of \$1,250,000,000, in that year and every year thereafter just to pay the current cost. All we are trying to do here is what the chairman of our committee says. This fund now requires 19.31 percent just to pay the cost. The employee contributes 6.5 percent and the Government contributes 6.5 percent, so the deficit is 6.31 percent. We are trying to put in here enough to take care of the difference.

Mr. THOMAS. Mr. Speaker, I yield 5 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES of Kansas. Mr. Speaker, I regret to seem to take views on this proposal opposite to those of my distinguished colleagues on my side of the aisle. I am usually in accord with their opinions.

It seems to me this question under discussion resolves itself as to whether we are willing to discharge our responsibility in respect to this appropriation. The membership of the House did not hesitate to authorize the expenditure of these funds. The vote was decisively in favor of the authorization. That was only a few weeks ago. We seem to hesitate whether we are going to appropriate at least a part of these funds necessary to take care of that obligation.

Not to vote this appropriation means you are going to use funds that really belong to people who work in Government. If you expect the people in Government to pay their share as required by law, then you should assume your responsibility representing the United States Government and say, "Yes, the Government will contribute its share." The least you can do is to support the appropriation of the \$589 million you have already agreed to pay. Let us not sidestep the issue.

Mr. CEDERBERG. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Michigan, a valuable member of our committee.

Mr. CEDERBERG. The way the situation looks to me in regard to this \$589 million is simply this. I support the gentleman's position, but I do not think we should mislead the Members of the House into believing it is going to make too much difference to the fund one way or another unless we do something about putting our fiscal house in order as far as the entire Federal Government is con-

cerned. This is what will happen. We will appropriate this \$589 million—I am supporting the gentleman's position—but we put it in one place and we are going to spend it in another, and we are still going to have this \$589 million additional deficit as far as the national debt is concerned. So we have not solved the problem as far as the national debt is concerned. We will have to make up for it whether we put it in one entry or another.

Mr. REES of Kansas. If Members take the opposite view, what is the use of appropriating any money?

Mr. CEDERBERG. I just want to say we are now picking up just a part of our contingent liability referred to by the gentleman from Massachusetts [Mr. McCORMACK], which is eventually going to have to be done.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield.

Mr. MASON. Is this deficit in the fund the result of the fact that the Congress has failed to keep up its payments when the employees kept up theirs, Is that not the situation?

Mr. REES of Kansas. Why certainly that is the situation.

Mr. MASON. And maybe also it is the result of our increasing the benefits without increasing the amount going in.

Mr. REES of Kansas. The difficulty lies in the fact that Congress for several years has not appropriated its share as the law intended. We did make a start some years ago to make substantial contributions to the fund, but the Government through Congress did not continue to keep up its share.

In 1952, according to a board of actuaries appointed for the purpose of examining this situation, the fund lacked almost \$9 billion of being actuarially sound. In 1953 it was almost \$10 billion; then in 1955 it was \$12 billion. In 1956 it was more than \$13 billion. According to the last reports of this board the amount is \$19 billion.

This is the amount the Government would be obligated to pay on an actuarial basis. Of course, if we take the position of "pay as you go," then you have a different story.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. REES of Kansas. I yield to the gentleman from Iowa, a member of the committee who has given this subject matter a great deal of attention.

Mr. GROSS. I want to commend the gentleman for his statement. At least, we have the opportunity here today to keep this part of our financial house in some order by making a contribution toward that end.

Mr. REES of Kansas. I agree with the gentleman. Let me suggest that we assume the responsibility that is ours and approve the amount in this bill. If you are going to take the other view, then why vote any money at all. I believe you ought to support the views of those of us who believe that at least you should approve the amount of money included in this bill.

(Mr. REES of Kansas asked and was given permission to revise and extend his remarks.)

# HIDDEN AND UNDISCLOSED PART OF NATIONAL DEBT

Mr. THOMAS. Mr. Speaker, I yield 2 minutes to the gentleman from Texas [Mr. PATMAN].

Mr. PATMAN. Mr. Speaker, I hope the position of the committee is sustained. If we fail to appropriate this \$589 million, it will become a part of the deficit. But, it is hidden as it is not disclosed as a part of the national debt. We cannot advocate this theory of keeping the national debt down in this hidden debt fashion and, yet, have a sound fiscal policy. If it is sound as to this fund, it would be sound as to other funds and it would not be long until we had \$10 billion that we should have paid into these funds which we have not paid, and we would be \$10 billion more in debt than the national debt would reflect. It would not be honest bookkeeping or fiscal integrity. This would be a way of hiding a part of the national debt without reflecting it in the cost. I think it is, and from my standpoint I believe it is, irresponsible, and I do not think we want to do something that is as irresponsible as this would be. I hope the position of the committee is sustained.

Mr. THOMAS. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, may I discuss this matter with the membership for a few minutes? Let us see what the parliamentary situation is. First, the committee offered a motion to insist on its position. Then a motion was made by our distinguished friend, the gentleman from Illinois [Mr. VURSELL] to recede and concur. That is a preferential motion and you will vote on that motion first. The motion of the gentleman from Illinois is a motion to abandon the position of the House. I hope you vote "no" on that motion. By voting "no" you say that we want to keep this fund sound and solvent.

Let us see what we are doing here. We are doing what is right and what is good old common horse sense, to be perfectly frank about it. We have all chided each other for the last 4 or 5 years about fiscal responsibility—governmental fiscal responsibility. We are throwing that principle out the window, my colleagues, if we do not appropriate this \$589 million to the fund, and we all know it. There is not a Member on this floor who would conduct his own business as it is proposed that we conduct the Government's business at this moment. There is not an insurance company in the United States that would be in business until the sun goes down if they conducted their business like we are financing that fund. Why? Because it is \$19 billion defunct; bankrupt. Think about it. What we are trying to do is to put \$589 million into the fund to keep it from going more defunct. Now let us be frank about it. Let us do the right thing.

Every month in the year, 2 million Federal employees, through no choice of their own, pay 6½ percent of their total salary into the fund.

Then we go on, and we say, "Oh, well, the credit of the Government is behind this fund, let us throw this appropriation out."

You make the point the military employees do not make any contribution. Of course not. There never was a fund set up for them. They do not make any contributions so there is no similarity whatsoever.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I will yield later to the gentleman. He is a very able Member.

Mr. Speaker, this money ought to be voted here. Somebody said something about the national debt. This \$19 billion bankruptcy in the fund is not counted as a part of the national debt. Can you imagine that? We talk about fiscal responsibility. That is a fact, and we sort of hoodwink it, do we not? When we appropriate this \$589 million it is going to be a part of the national debt. That is what all the argument is about. Do we want to face our responsibility? Yes. This is a debt and we owe it. We are funding that part of \$19 billion which is necessary to keep the deficit from growing this year. It ought to be done.

Mr. LAIRD. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield to the distinguished gentleman from Wisconsin.

Mr. LAIRD. The gentleman makes a good case for putting this \$589 million into this particular fund but his case is rather weakened by the fact that he is not willing to credit the whole \$19 billion in the account.

Mr. THOMAS. Will my friend vote for the \$589 million? I will yield if you will answer that question. Will you vote for that?

Mr. LAIRD. To follow your principle, I think you have to put all the money in the account.

Mr. THOMAS. Let us crawl before we run. We will settle for \$589 million this year and next year and every year thereafter to keep the fund from becoming more insolvent.

Mr. LAIRD. There is a matter of principle involved here, whether it is reflected in the national debt or not, if it is truly a debt obligation it should all be reflected in the national debt.

The SPEAKER. The gentleman from Texas has consumed 5 minutes.

Mr. THOMAS. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. OSTERTAG], and after he finishes I shall move the previous question.

Mr. OSTERTAG. Mr. Speaker, first of all, I thank the distinguished chairman of our subcommittee for his courtesy in granting me this time. Mr. Speaker, it seems to me that before we vote on this question involving amendment No. 1 which is in disagreement it might be well to have a little clearer picture of the situation and overcome the gross distortion of the facts that seems to apply to this particular proposal or issue which is before us. There are some here who would have us believe that by not appropriating this \$589 million we are not meeting our current obligation to the retirement fund. However, the truth of the matter is that

this year and last year and for several years the Congress of the United States has appropriated every dollar of its obligation to meet the current obligation for retirement. In other words, funds have been made available as required by law on the basis of 6½ percent on every dollar paid in salaries, where retirement benefits apply.

As a matter of fact in every appropriation bill reported and passed this year, we are contributing to the fund the full amount of the Government's share, plus interest. Actually the total of \$650 million is being appropriated which is the amount necessary to match the contributions estimated to be made by the Federal employees to the retirement fund. The employees are paying 6½ percent, the Federal Government 6½ percent. This means with \$214 million added for interest a total of \$1,500,000,000 will be paid into the fund this year.

How much is being withdrawn to meet the obligations of retirement? The estimates are approximately \$712 million.

This year, therefore, Mr. Speaker, \$800 million more is going into the fund than will be withdrawn. We are not destroying the fund; we are actually under the present method building the fund and as I understand it the fund will be approximately \$13 billion by the year 1972. It will not be until that time that the withdrawals or the benefits will reach or equal the contributions or the receipts. I mentioned a moment ago, the \$214 million being appropriated for interest. This is interest upon the approximately \$7.5 billion balance in the fund which will in turn become interest income to the retirement fund.

It has been said, and I am sure we all understand, that if we were to meet the full obligation to this fund we would be required to appropriate some \$19 billion more to it. This \$589 million is not going to make or break the retirement fund. The retirement fund is just as good as the faith and credit of the United States. What this \$589 million item is going to do is to throw the budget that much more out of balance and increase the public debt the same amount. So it seems to me that in line with the position of the other body we might well recede from our position.

Mr. YATES. Mr. Speaker, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from Illinois.

Mr. YATES. There is a significant difference in the two arrangements. In the one case you have the benefits paid by the Civil Service Retirement Board. They have the money now with which to pay the benefits.

If you continue to permit these deficits to increase you will then throw the obligation upon the Congress to appropriate the funds necessary.

So you have two different procedures: In the one case it is self-sustaining; in the other the Congress will have to appropriate the funds that are necessary.

Mr. OSTERTAG. May I say to my good friend from Illinois that what he advocates is being done. As I have pointed out, \$1,500,000,000 is going into

the fund this year by appropriation and employee contribution. Only \$700 million will be withdrawn according to official estimates. Therefore, approximately \$800 million more will go into the fund this year than will be withdrawn, which proves that we are not depleting the fund by the payment of more in benefits than the total amount paid into the retirement fund through Government and employee contributions.

Mr. JONAS. Mr. Speaker, will the gentleman yield?

Mr. OSTERTAG. I yield.

Mr. JONAS. Is it not true that the Congress has to appropriate money each year to pay into the matching fund anyway?

Mr. OSTERTAG. Certainly. And as a matter of fact, the Federal Government meets similar obligations in the retirement of military personnel and to veterans in this manner.

Mr. JONAS. The Civil Service Board does not have the money unless Congress appropriates the fund each year.

Mr. OSTERTAG. All the responsibilities and obligations of the Federal Government must be met through appropriations, as the gentleman knows. Mr. Speaker, it seems to me that we might well accept the recommendations made by the other body and approve the motion of the gentleman from Illinois that the House recede from its position. And may I remind the House that this amendment No. 1 has two parts to it. One relates to the appropriation of the additional \$589 million to the fund and the other is the language which in substance prohibits any additional annuity benefits unless a direct appropriation is made to cover it. Mr. Speaker, I hope that the motion prevails.

Mr. THOMAS. Mr. Speaker, I move the previous question on the motion.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Illinois.

The motion was rejected.

The SPEAKER. The question is on the motion of the gentleman from Texas [Mr. THOMAS].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 11, line 19, insert: "Provided further, That not to exceed \$130,000 of such funds may be deposited to the Administrative Operations Fund in addition to the amount included in the budget estimates for that purpose."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate No. 17, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "\$100,000."

The amendment was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 20: On page 12, strike out all of the proviso, lines 10 to 14,

and insert the following: "Provided, That hereafter, except for projects located at Atlanta, Ga.; Rock Island, Ill.; Council Bluffs, Iowa; Kansas City, Kans.; Burlington, Iowa; Albuquerque, N. Mex.; Sedan, Kans.; Jonesboro, La.; Lake Charles, La.; Redwood Falls, Minn.; Biloxi, Miss.; Greenville, Miss.; Laurel, Miss.; Omaha, Nebr.; Durham, N. H.; "Manning, S. C.; Sisseton, S. Dak.; Kingsport, Tenn.; Gainesville, Tex.; McKinney, Tex.; Huntington, W. Va.; Green Bay, Wis.; Marshfield, Mo.; Terrell, Tex.; Mount Hope, W. Va.; Benton, Ill.; Burlington, Vt.; no part of any fund in this or any other act shall be used for payment for sites, planning, or construction of any buildings by lease-purchase contracts: *Provided further*, That the Administrator of General Services may enter into a 10-year contract for the project at Sacramento, Calif., during the fiscal year 1959, for which the annual payment for amortization of principal and interest thereon shall not exceed \$1,250,000."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate No. 20, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert "Provided, That hereafter, except for projects located at Atlanta, Ga.; Rock Island, Ill.; Council Bluffs, Iowa; Kansas City, Kans.; Burlington, Iowa; Albuquerque, N. Mex.; Sacramento, Calif.; Brunswick, Ga.; Sedan, Kans.; Jonesboro, La.; Lake Charles, La.; Redwood Falls, Minn.; Biloxi, Miss.; Greenville, Miss.; Laurel, Miss.; Omaha, Nebr.; Durham, N. H.; Manning, S. C.; Sisseton, S. Dak.; Kingsport, Tenn.; Gainesville, Tex.; McKinney, Tex.; Huntington, W. Va.; Green Bay, Wis.; Marshfield, Mo.; Terrell, Tex.; Mount Hope, W. Va.; Benton, Ill.; Burlington, Vt.; St. Marys, Ohio; West Memphis, Ark.; Newkirk, Okla.; Point Pleasant, N. J.; and Denver, Colo.; no part of any funds in this or any other act shall be used for payment for sites, planning, or construction of any buildings by lease-purchase contracts: *Provided further*, That the Administrator of General Services may enter into a 10-year contract for the project at Sacramento, Calif., during the fiscal year 1959, for which the annual payment for amortization of principal and interest thereon shall not exceed \$1,250,000."

Mr. THOMAS. Mr. Speaker, I yield 5 minutes to the gentleman from Wisconsin [Mr. TEWES].

Mr. TEWES. Mr. Speaker, all of us realize that a legislative body at this level must operate on the basis of some general principles. The difficulty is that these generalizations will sometimes make Congress look ridiculous when they are applied to specific situations.

I think this is true in the present instance. In Waukesha, Wis., we have had a post office authorized under the lease-purchase arrangement. The city, after a great deal of debate and controversy, donated valuable park land so that the Federal Government would have property on which to build this post office. We have expended at least \$3,000 in engineering and architectural expense as well as untold other thousands of dollars in conferences and planning.

The conferees now tell us: "We invoke the general principle that if construction

has not begun, we deny you additional funds."

It seems to me that this general principle as applied to the unique situation in Waukesha is indefensible. I personally voted against the proposal of the majority party to eliminate lease-purchase arrangements. But when Congress decided in their favor, I bowed to the majority.

I then sought to exempt Waukesha from their decision because of the waste which resulted. But I am told: "No; we have a rule that if you have not begun construction you cannot have your post office." Frankly, I am unable to defend this kind of congressional action to my constituents back home.

Mr. THOMAS. Mr. Speaker, we are going to try to help the gentleman next year.

Mr. METCALF. Mr. Speaker, with reference to amendment No. 36, I regret that the conference committee did not hold the full amount for upgrading strategic materials. But the \$3 million provided should be used to upgrade the manganese stockpile at Butte, Mont., both in the interests of national defense and to relieve unemployment in the most depressed city in the Nation. I hope the General Services Administration so uses the money.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. THOMAS].

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Amendment No. 58: On page 25, line 4, insert "of which \$1,890,000 shall be transferred to the Bureau of Public Roads, Department of Commerce, for construction of a secondary road to the Optical Astronomy Observatory on Kitt Peak in Arizona."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate No. 58, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "\$1,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 80: On page 44, strike out lines 15 and 16 and insert "expenses necessary in the case of defaulted obligations to protect the interests of the Government."

Mr. THOMAS. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the amendment of the Senate No. 80 and concur therein.

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

## ATOMIC ENERGY COMMISSION

Mr. DURHAM. Mr. Speaker, I call up the conference report on the bill (H. R. 13121) to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of July 21, 1958.)

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

## SUPPLEMENTAL APPROPRIATION BILL, 1959

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 13450) making supplemental appropriations for the fiscal year ending June 30, 1959, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, the time to be equally divided and controlled by the gentleman from New York [Mr. TABER] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Missouri.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 13450, with Mr. DELANEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

[Mr. CANNON addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. NICHOLSON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman from Missouri has consumed 1 hour.

Mr. CANNON. Mr. Chairman, I will consume the remainder of my time.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to proceed for an additional time. Is there objection?

Mr. NICHOLSON. Mr. Chairman I object.

The CHAIRMAN. Objection is heard.

Mr. CANNON. Mr. Chairman, there have always been those who objected when a principle was being fought for.





July 30, 1958

11. APPROPRIATIONS. Received the conference report on H. R. 12948, the D. C. appropriation bill for 1959 (H. Rept. 2325). pp. 14321-22
12. SMALL BUSINESS. Conferees were appointed on S. 3651, to make equity capital and long-term credit more readily available to small business. Senate conferees have not been appointed. p. 14326
13. AREA REDEVELOPMENT. Rep. Siler urged enactment of S. 3683, to provide Federal aid to economically depressed areas. pp. 14326-27

SENATE

14. APPROPRIATIONS. Agreed to the conference report on H. R. 11574, the independent offices appropriation bill for 1959, agreed to certain House amendments, and voted, 44 to 39, to recede from an item in disagreement to include \$589 million for the Civil Service Retirement and Disability Fund. Sen. Sparkman spoke against the elimination of \$100,000 for HHFA farm housing research, and Sens. Saltonstall and Magnuson stated they would consider the matter next Jan. in the supplemental or regular independent offices appropriation bill (pp. 14246-7). This bill will now be sent to the President. pp. 14243-56

Passed, 71 to 0, with amendment H. R. 12738, the Defense Department Appropriation bill for 1959, and conferees were appointed (pp. 14258-9, 14261-87). Agreed to an amendment, applying generally to Government departments and agencies, to require reports to Congress in writing, following the close of each calendar quarter, of the amount of each budgetary reserve in effect at the end of such quarter and the purpose for which each such reserve was established. This was a modification, proposed by Sen. Hayden, of a committee amendment that had been reported on this subject (pp. 14264-5).

Passed without amendment H. J. Res. 672, to make temporary appropriations until Aug. 31, 1958, to various agencies until their regular 1959 appropriation bills are enacted. This measure will now be sent to the President. p. 14191

15. TRANSPORTATION. Both Houses agreed to the conference report on S. 3778, to strengthen the national transportation system. This bill will now be sent to the President. pp. 14205-8, 14326

16. AGRICULTURE AND FORESTRY COMMITTEE ordered reported the following bills:

Without amendment:

- H. R. 6542, to authorize the conveyance of certain forest lands to Dayton, Wyo.;
- H. R. 11800, to authorize the Secretary to sell a tract of land and buildings thereon under the jurisdiction of ARS to Clifton, N. J.;
- S. 3332, to improve the insured loan program of FHA;
- H. R. 12224, to prohibit the creation of an acreage history on peanuts after 1957 by those growing peanuts without an acreage allotment;
- H. R. 12840, to provide a single acreage allotment for Va. sun-cured and Va. fire-cured tobaccos if farmers vote approval in a referendum;
- S. 4151, to establish uniform provisions for the transfer of acreage allotments when the landowner is displaced by an agency having the right of eminent domain;
- S. 3858, to authorize CCC to purchase flour and cornmeal for donation instead of having such products processed from its own stocks; and
- H. Con. Res. 295, endorsing plans of a non-government group to establish a Hall of Fame for Agriculture.

With amendment:

- S. 2142, to amend the Agricultural Marketing Agreement Act so as to extend restrictions on certain citrus fruits;
- S. Res. 344, to authorize the committee to study marketing practices relating to loose and tied tobacco; and
- H. R. 12126, to extend to wild animals the same prohibition against entry into the U. S. as domestic animals from any country where rinderpest or foot-and-mouth disease exists;

An original bill to extend the Mexican farm labor program for one year.  
p. D758

- 17. WATERSHED PROJECTS. The Agriculture and Forestry Committee approved the following watershed projects: Adobe Creek, Buena Vista Creek, and Central Sonoma, Calif.; Upper Nanticoke River, Del.; Donaldson Creek, Ky.; Mud Creek, Nebr.; Peavine Mountain, Nev.; Indian Creek, Tenn. and Miss.; and Cook Creek, Wis.  
pp. D758-9
- 18. FORESTRY. Conferees were appointed on S. 3051, to provide for either private or Federal acquisition of that part of the Klamath Indian forest lands which must be sold. House conferees have not been appointed. pp. 14257-8
- 19. RESEARCH. The Government Operations Committee reported with amendments S. 4039, to authorize the head of any Government agency now making contracts for research to grant funds for the support of such research (S. Rept. 2044).  
p. 14186
- 20. PERSONNEL. The Post Office and Civil Service Committee reported with amendment H. R. 7710, to provide for the lump-sum payment of all accumulated and accrued annual leave of deceased employees (S. Rept. 2055). p. 14186
- 21. FISHERIES; EXTENSION. The Interstate and Foreign Commerce Committee reported with amendments S. 2973, to establish a fishery extension service in the Fish and Wildlife Service to carry out cooperative fishery extension work with the States (S. Rept. 2063). p. 14186
- 22. MINERALS. The Interior and Insular Affairs Committee reported with amendment S. 4146, to provide for incentive payments to minerals producers (S. Rept. 2057). p. 14186
- 23. FARM INCOME. Sen. Hruska discussed the July release of USDA "Farm Income Situation," showing the increase in farm income, and inserted 14 statements based on USDA statistics showing the upward trend in farm income and living standards. pp. 14199-200
- 24. ELECTRIFICATION. Sen. Neuberger criticized the alleged bias of Douglas McKay as Chairman of the International Joint Commission studying the position of the Federal government as to joint actions with Canada in developing the Columbia River Basin, asserted that his opposition to Federal power developments made him unsuitable for formulating the Federal position in this area, and inserted an editorial on the matter. pp. 14204-5
- 25. HUMANE SLAUGHTER. Sen. Allott stated that the humane slaughter bill, because of the discretion granted the Secretary for formulating regulations, was "one of the best, prime example of what legislation should not be."  
pp. 14190-1

## ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

H. R. 256. An act to designate the dam being constructed in connection with the Eagle Gorge Reservoir project on the Green River, Washington, as the "Howard A. Hanson Dam";

H. R. 1298. An act for the relief of Vincent N. Caldes;

H. R. 1331. An act for the relief of Sadie Lobe;

H. R. 1376. An act for the relief of Bernard L. Phipps;

H. R. 1574. An act for the relief of Albert Hyraplet.

H. R. 1772. An act for the relief of Sigfrid Olsen Shipping Co.;

H. R. 2083. An act for the relief of Carl A. Willson;

H. R. 2677. An act for the relief of former Staff Sergeant Edward R. Stouffer;

H. R. 3513. An act to amend title 10, United States Code, relating to the entitlement to reenlistment under certain circumstances of certain former officers;

H. R. 4535. An act for the relief of Ernest C. St. Onge;

H. R. 5855. An act for the relief of Manuel Mello;

H. R. 5922. An act for the relief of William Lavallo;

H. R. 6405. An act for the relief of Arnie W. Lohman;

H. R. 6492. An act for the relief of Maj. Harold J. O'Connell;

H. R. 6530. An act for the relief of Arthur L. Bornstein;

H. R. 7140. An act to amend title 10, United States Code, to authorize a registrar at the United States Military Academy and the United States Air Force Academy, and for other purposes;

H. R. 7177. An act for the relief of Edward J. Bolger;

H. R. 7941. An act for the relief of Mrs. Harry B. Kesler;

H. R. 7944. An act for the relief of the Spera Construction Co.;

H. R. 8147. An act for the relief of Kenneth W. Lenghart;

H. R. 9015. An act for the relief of William V. Dobbins;

H. R. 11378. An act to amend Public Laws 815 and 874, 81st Congress, to make permanent the programs providing financial assistance in the construction and operation of schools in areas affected by Federal activities, insofar as such programs relate to children of persons who reside and work on Federal property, to extend such programs until June 30, 1961, insofar as such programs relate to other children, and to make certain other changes in such laws;

H. R. 11874. An act to record the lawful admission for permanent residence of certain aliens who entered the United States prior to June 28, 1940;

H. R. 12617. An act to amend sections 2 and 3 of the act of May 19, 1947 (ch. 80, 61 Stat. 102) as amended, relating to the trust funds of the Shoshone and Arapahoe Tribes, and for other purposes; and

H. J. Res. 672. Joint resolution amending a joint resolution making temporary appropriations for the fiscal year 1959, and for other purposes.

## HOUSE BILLS REFERRED OR PLACED ON THE CALENDAR

The following bills were severally read twice by their titles, and referred, or placed on the calendar, as indicated:

H. R. 3571. An act for the relief of Boris F. Navratil;

H. R. 8997. An act for the relief of Bunge Corp., New York, N. Y.;

H. R. 9765. An act for the relief of Mr. Marion S. Symms;

H. R. 12944. An act for the relief of Mrs. Kungunde Beldie; to the Committee on the Judiciary.

H. R. 9822. An act to provide for holding a White House Conference on Aging to be called by the President of the United States before September 30, 1960, to be planned and conducted by the Secretary of Health, Education, and Welfare with the assistance and cooperation of other departments and agencies represented on the Federal Council on Aging; to assist the several States in conducting similar conferences on aging prior to the White House Conference on Aging; and for related purposes; to the Committee on Labor and Public Welfare.

H. R. 13482. An act to amend the Atomic Energy Act of 1954, as amended; placed on the calendar.

## INDEPENDENT OFFICES APPRO- PRIATIONS, 1959—CONFERENCE REPORT

Mr. JOHNSON of Texas. Mr. President, the Senator from Washington [Mr. MAGNUSON] is about to ask the Chair to lay before the Senate the conference report on the independent offices appropriation bill for 1959. He informs me that he will consume 5 or 10 minutes. The Senator from Illinois [Mr. DIRKSEN] expects to consume about 15 minutes. The Senator from Massachusetts [Mr. SALTONSTALL] will make a brief statement, and there may be other statements, but I inform the Senate that it is expected that there will be a yea-and-nay vote within the next hour. I wish all Senators to be on notice.

Furthermore, I announce that in the concluding days of the session, when there is a quorum call, and the order for the quorum call is not rescinded, the secretaries will be instructed not to add the names of Senators who do not appear. We find it difficult to obtain the attendance of Senators, because it is convenient to telephone from their offices and ask to be recorded. So when a Senator on either side insists upon obtaining a quorum, and the order for the quorum call is not rescinded, names of Senators will not be subsequently added.

Mr. MAGNUSON. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11574) making appropriations for the sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes. I ask unanimous consent for the present consideration of the report. The report is signed by all the conferees on both sides.

The PRESIDING OFFICER. The report will be read for the information of the Senate.

The legislative clerk read the report.

(For conference report, see House proceedings of July 21, 1958, pp. 13155-13156, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration of the report?

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. As I understand the situation, the Senator from Washington will subsequently make a motion to recede with respect to one of the Senate amendments, so that there will be an opportunity for a yea-and-nay vote.

The PRESIDING OFFICER (Mr. RUSSELL in the chair). The conference report is not yet before the Senate.

Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 11574, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,  
July 22, 1958.

*Resolved*, That the House recede from its disagreement to the amendment of the Senate numbered 80 to the bill (H. R. 11574) entitled "An act making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices for the fiscal year ending June 30, 1959, and for other purposes," and concur therein.

That the House recede from its disagreement to the amendment of the Senate numbered 17, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "\$100,000."

That the House recede from its disagreement to the amendment of the Senate numbered 20, and concur therein with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment insert: "Provided, That hereafter, except for projects located at Atlanta, Ga.; Rock Island, Ill.; Council Bluffs, Iowa; Kansas City, Kans.; Burlington, Iowa; Albuquerque, N. Mex.; Sacramento, Calif.; Brunswick, Ga.; Sedan, Kans.; Jonesboro, La.; Lake Charles, La.; Redwood Falls, Minn.; Biloxi, Miss.; Greenville, Miss.; Laurel, Miss.; Omaha, Nebr.; Durham, N. H.; Manning, S. C.; Sisseton, S. Dak.; Kingsport, Tenn.; Gainesville, Tex.; McKinney, Tex.; Huntington, W. Va.; Green Bay, Wis.; Marshfield, Mo.; Terrell, Tex.; Mount Hope, W. Va.; Benton, Ill.; Burlington, Vt.; St. Marys, Ohio; West Memphis, Ark.; Newkirk, Okla.; Point Pleasant, N. J.; and Denver, Colo., no part of any funds in this or any other act shall be used for payment for sites, planning, or construction of any buildings by lease-purchase contracts: *Provided further*, That the Administrator of General Services may enter into a 10-year contract for the project at Sacramento, Calif., during the fiscal year 1959, for which the annual payment for amortization of principal and interest thereon shall not exceed \$1,250,600."

That the House recede from its disagreement to the amendment of the Senate numbered 58, and concur therein with an amendment, as follows: In lieu of the sum named in said amendment insert "\$1,000,000."

That the House insist on its disagreement to the amendment of the Senate numbered 1.

Mr. MAGNUSON. Mr. President, I move that the Senate concur in the amendments of the House to the amendments of the Senate, Nos. 17, 20, and 58.

Mr. JOHNSTON of South Carolina. Mr. President, I should like to know just what those amendments are before I agree to them.

Mr. MAGNUSON. Senate amendment No. 17 deals with the General Services Administration. The Senate conferees agreed to the General Services Administration operation fund in the reduced amount of \$100,000.

Senate amendment No. 20 involves the rewriting of the amendment as to certain projects in connection with construction of public buildings under lease-purchase contracts. These are projects which are under way, or with respect to which bids have been accepted, or projects involved in the change from the present program to direct appropriations for the coming year, which change was agreed upon as a matter of policy.

Mr. JOHNSTON of South Carolina. The item I am interested in is the one dealing with the retirement fund.

Mr. MAGNUSON. That will come under discussion. That is the next item.

No. 58 is an amendment which appropriates a certain amount of money to the Bureau of Public Roads in connection with the Kitt Optical Observatory.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MANSFIELD. I note that in the House amendments to which the chairman refers, there is no mention of an amendment having to do with the beneficiating of chrome and manganese.

Mr. MAGNUSON. The Senate provided for a \$10,500,000 program. ODM and General Services estimated that the expense of upgrading and beneficiating these materials in the stockpile would amount to about \$21 million. We cut that figure in half. The House conferees at first would not agree to any amount, but finally did agree on a so-called pilot program. The report provided for an item of \$3 million.

This item of \$3 million is provided to initiate a pilot program for conversion of certain chrome, manganese, and other ores now in the defense stockpile. In the case of chrome ores, there are so-called subspecification ores stockpiled on the west coast, and specification ores in the East. The committee intends that both types of chrome ores be eligible for this program and that these ores be converted to the highest chrome content, standard ferrochrome, which can be produced from each.

As to manganese, which was generally discussed and I believe the General Services Administration understands the situation; if not, I can put an explanation in the RECORD—it was agreed that the \$3 million was for a pilot program for chrome and manganese. Chrome and manganese in the stockpile are to some extent deteriorating, as they are stored outside. If the program goes ahead—and we expect it will—it should include those two ores. There were 1 or 2 other ores of a very highly stra-

tegic nature, but which would not take up much of the program. A report will be submitted to us in January on whether the program is feasible. If it is feasible and makes sense—and the Senator from Montana and I agree that it does, and that it will save money to the Government in the long run—then we will proceed with the outlined program of ODM and General Services.

Mr. MANSFIELD. Is it correct to state that when the appropriation measure originally passed the House, there was no money allocated for beneficiating or upgrading of chrome and manganese?

Mr. MAGNUSON. That is correct.

Mr. JOHNSON of Texas. Mr. President, may we have order?

The PRESIDING OFFICER (Mr. TADMAGE in the chair). The Senate will be in order.

Mr. MANSFIELD. When the measure reached the Senate, under the leadership of the distinguished chairman, the senior Senator from Washington [Mr. MAGNUSON] and the distinguished ranking minority member, the Senator from Illinois [Mr. DIRKSEN] \$10½ million was included for that purpose.

Mr. MAGNUSON. That is correct.

Mr. MANSFIELD. As a result of the conference held between the two Houses, it appears that the House conferees, although at first in favor of making no allocations for this purpose, after negotiation and the development of a sense of understanding, agreed to allow \$3 million for a pilot project in the fields of chromium and manganese.

Mr. MAGNUSON. That is correct.

Mr. MANSFIELD. My distinguished senior colleague from Montana [Mr. MURRAY] and I are very much interested in having something done to upgrade or beneficiate the \$9 million Government-owned stockpile of manganese in Butte, Mont. It is deteriorating quite fast. If something is not done along the line of upgrading, the Government's investment will be lost.

What we should like to inquire about at this time is whether the manganese plant at Butte, with its \$9 million stockpile, plus the dependence on it in other areas in the Butte-Phillipsburg vicinity, could be considered at a pilot plant for the upgrading or beneficiating of the stockpile.

Mr. MAGNUSON. It could under the program outlined by the conferees.

Mr. MANSFIELD. So far as the Senator from Washington knows—and the Senator from Illinois is concerned—the Butte, Mont., manganese stockpile would be eligible under the \$3 million program, as it was eligible, as was brought out in the testimony, under the \$10½ million which was asked for by the Senate Appropriations Subcommittee?

Mr. MAGNUSON. That is correct.

Mr. MANSFIELD. Will the Senator from Illinois agree with that statement?

Mr. DIRKSEN. Yes; it would be. We thought at first of writing in some additional language to the effect that that might be determined by ODM, if they thought it was practicable and would be efficacious. No such language was written into the bill. Therefore, I would interpret it as being available under the terms of the act for beneficiating.

Mr. MANSFIELD. I wish to thank the distinguished chairman of the subcommittee and the distinguished ranking minority member on behalf of my distinguished colleague, the senior Senator from Montana and the full Montana congressional delegation. This news is encouraging because, added to our previous colloquy, it should look encouraging for the beneficiating of the manganese stockpile in Butte, Mont. We of Montana are indebted for the consideration and understanding shown.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks a letter which I addressed to the Honorable Sinclair Weeks, Secretary of Commerce, under date of May 24, 1958; a letter to the senior Senator from Washington [Mr. MAGNUSON] as chairman of the conference committee, and to all members of the conference committee, under date of July 14; a telegram which I received from Mr. John H. Cole, of the manganese plant at Butte, Mont.; and an excerpt from the discussion on the floor of the Senate of the independent offices appropriation bill on June 9, 1958.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

MAY 24, 1958.

The Honorable SINCLAIR WEEKS,  
Secretary of Commerce,  
Department of Commerce,  
Washington, D. C.

DEAR MR. SECRETARY: This will acknowledge receipt of your letter of May 20 which has just reached my desk and which I have read with interest, though, I must admit, with disappointment.

I do not like being persistent in this matter, but I would personally appreciate it if you would once again take up the matter with Mr. Gordon Gray, Director of the Office of Defense Mobilization, relative to the possibility of beneficiating or upgrading the low-grade manganese ore in the stockpile in Butte. As I indicated previously, on the basis of expert findings, this manganese stockpile which has cost the Government somewhere in the vicinity of \$9 million will gradually become valueless if upgrading is not done and the investment of the Government will be lost.

As you know, we produce 10 percent of our total needs of manganese in this country and 90 percent of that 10 percent is produced in the Butte-Phillipsburg area. To me it appears that the sensible procedure would be to beneficiate this stockpile, retain its full value for the Government and thereby justify its investment. At the same time, the unemployment situation in the city of Butte, which is the longest and hardest hit city in the United States in relation to the recession, would be somewhat alleviated. It would appear to me that this operation can be used to alleviate the unemployment situation in Butte and, pending a stabilization of the copper industry, the only means which can be of significance at this particular time.

Again, Mr. Secretary, I urge that you reconsider this situation, talk it over with Mr. Gray and see if something cannot be done in behalf of this industry and the people who are dependent on it for a livelihood. I would be most happy to discuss this matter with you or Mr. Gray at any time and I would be deeply and personally appreciative if a course of action could be agreed on to upgrade this stockpile in the interests of protecting a large Government investment and at the same time furnish

employment to our people who are so badly in need of assistance at this time.

With best personal wishes, I am,  
Sincerely yours,

MIKE MANSFIELD.

JULY 14, 1958,

Hon. WARREN G. MAGNUSON,  
United States Senate,  
Washington, D. C.

DEAR MR. CHAIRMAN: I am writing to you as a member of the conferees on the independent offices appropriation bill to ask you to do what you can to include manganese with chrome in the \$10 million set-aside for beneficiating or upgrading purposes.

I have used up every resource I could think of with the White House, the GSA, the Department of Commerce, and the Office of Defense Mobilization, but to date I have not achieved any success whatever. The only hope I have left is you and your conferees.

Butte, Mont., where the domestic manganese plant is located, is the hardest hit and most depressed area in the United States. Sixty-three percent of our miners are unemployed, and 75 percent of the craftsmen in and around the mines are in a similar situation. Between 300 and 400 men are dependent upon the manganese plant in Butte for a livelihood. At that plant there is at the present time approximately \$9 million worth of Government-owned stockpiled manganese. This stockpile is deteriorating, and the only way I can think in which this Government-owned stockpile could be prevented from becoming less valuable or more valueless as time goes on is to beneficiate or upgrade the stockpile to a reasonable and proper level. I am enclosing with this letter a communication which I have sent to the Honorable Sinclair Weeks which explains in more detail just what the situation is.

I would appreciate it, on behalf of the entire Montana delegation and myself, if you could see your way clear to support my suggestion, and I call to your attention in that respect the colloquy between you, Senator DIRKSEN, and myself on this particular matter. I assure you I will appreciate anything you can do to be of assistance to Montana in this matter.

With best personal wishes, I am,  
Sincerely yours,

MIKE MANSFIELD.

BUTTE, MONT., July 23, 1958.

Senator MIKE MANSFIELD,  
Senate Office Building,  
Washington, D. C.

Thanks for your wire regarding S. 4146 also greatly pleased with your letter to each of the conferees who are considering independent offices appropriation bill. I sincerely hope that the \$10½ million contained in this bill for upgrading remains in the bill. The CONGRESSIONAL RECORD which you sent me dated June 9 appears to me that you Senator DIRKSEN and Senator MAGNUSON covered the upgrading of manganese at Butte very thoroughly. I liked the clause in the report which states that ODM and GSA has to report back to Appropriations Committee by September 1958 what they have accomplished. As you know we have the plant we have the ore and if this money stays in appropriations bill we should be able to start this plant at an early date. Your untiring efforts are certainly appreciated by myself and everyone in this community. American Mining Congress Journal of July, page 68, states stockpiling policies revised. Article reads both the Office of Defense Mobilization and Senate Appropriations Committee have determined that materials in the national stockpile should be upgraded where feasible, so that they will be available for immediate use in an emergency and the Senate committee added 10½ million to an ap-

propriations bill to initiate such a program if the House concurs.

JOHN H. COLE.

[From the CONGRESSIONAL RECORD of June 9, 1958]

MR. MANSFIELD. I had known about this part of the Independent Offices Appropriation bill, but I invite the Senator's attention to the fact that the Montana manganese plant, at Butte, Mont., has on hand in the stockpile something on the order of a \$9 million investment by the Government. Unfortunately, one of the attributes of manganese is that if it remains in the stockpile, exposed to the open air, it deteriorates.

I tried to get Mr. Gordon Gray's agency, the Office of Defense Mobilization, to spend the necessary funds to beneficiate this manganese. So far I have achieved no success. Would it be possible, in view of the statement in the report, for the Office of Defense Mobilization, under Mr. Gordon Gray, to become seriously interested in upgrading or beneficiating the domestic stockpile of the Montana manganese plant, in Butte, Mont.?

MR. MAGNUSON. Not only would it be possible, but, as the Senator from Illinois has stated, that is exactly what we intended. There are also stockpiles of ferrochrome in Montana.

MR. MANSFIELD. That is correct.

MR. MAGNUSON. There are stockpiles of manganese, and other metals. It makes commonsense to upgrade this material, which we own, and put it in a condition in which it can be stored almost indefinitely. We shall have to do so anyway, if we intend to use the material. We should do it at a time when plant capacity, manpower, and electric power are available.

The Senator from Montana has stated exactly what we intended. We started modestly. We cannot do everything at once, but the Office of Defense Mobilization, under Mr. Gordon Gray, has stated that, under the directive in the law, he could not go further than actual stockpiling. I believe Mr. Gray will welcome this provision. It makes good commonsense.

MR. MANSFIELD. But it does apply to the Montana manganese stockpile in Butte, Mont. does it not?

MR. MAGNUSON. It applies to Montana.

The first work under the program will probably be in connection with ferrochrome, because that deteriorates more rapidly. Next in order should be manganese, which would apply to the Montana situation.

MR. MANSFIELD. I am delighted to have this assurance. I will take the matter up with Mr. Gray at the earliest opportunity, to see if he will not beneficiate the manganese stockpile in Butte, Mont.

MR. MAGNUSON. It makes good commonsense.

MR. DIRKSEN. Mr. President, as I recall, the President's Cabinet committee made an affirmative recommendation with respect to the beneficiation of critical and strategic materials in the stockpile. As the chairman points out, they can be more expeditiously used when they are beneficiated; and I believe there will be a substantial reduction in the storage cost. So, with everyone agreed as to what should be done, it was only a question of money. It is our understanding that this program will cost, roughly, \$21 million. So we have included half the amount in the pending bill. If, early next year, it becomes necessary to provide more, the agency can always submit a supplemental request through the Budget Bureau, so that the work can be carried to completion.

MR. MANSFIELD. Mr. President, I am very much pleased with the unanimous action of the committee and the Senate in this respect. I certainly hope something will be done to bring about beneficiation of these ores.

MR. MAGNUSON. Mr. President, I wish to say to the Senator from Montana and the Senator from Kentucky [Mr. MORTON] that there is no doubt in my mind that the suggested procedure will be the wise and commonsense one to follow. It means that we will have the stockpile of this strategic ore available for use in case something happens. The time to upgrade it is when the manpower is available. That is the situation in Butte. I was there within the last 3 weeks, and Butte suffers from a very serious unemployment condition because of the mineral situation there. It makes sense to put this ore in good order so that it can be stockpiled and kept on hand for use. If something were to happen, we would have to use the manpower and electric power at the wrong time. By upgrading the ore, we would add to its value. The President appointed a Committee on Mineral Policy, which made its report in 1956. In its report the Committee recommended very strongly that this action be taken both with manganese and with ferrochrome. The Committee was made up of experts in the mineral field.

MR. MANSFIELD. In this respect, the Senator from Washington well knows—he was in Butte approximately 3 weeks ago—that 65 percent of the miners in the camp are unemployed, and that about 75 percent of the craftsmen working in and around the mines are unemployed.

MR. MAGNUSON. That is correct.

MR. MURRAY. Mr. President, I am in full accord with what has been stated by my colleague and by the distinguished senior Senator from Washington with reference to the situation in Butte. We have a very serious unemployment condition there. The program which has been described is very important and very necessary, and should be carried out.

MR. MORTON. Mr. President, will the Senator yield?

MR. MAGNUSON. I yield.

MR. MORTON. First, I should like to thank the Senator from Washington for the excellent job he has done in steering this matter through Congress, with the help of the Senator from Illinois and other members of the subcommittee. As I understand, the Senator from Washington feels that if the pilot program works, the committee will look forward to increasing the appropriations in the future.

MR. MAGNUSON. Yes; I do not believe there would be any question about it. The program would increase the value of the ores. Something was said about the transportation costs. However, in most cases the stockpiles are quite near the so-called plants. That is true of the Kentucky area. The Senator from Illinois will agree with me when I say that at first we had some misunderstanding on this point in the conference committee. It was thought that we would build some plants. Of course, that is not correct. The plants all exist, and most of them are idle. This is the time to do what is proposed.

MR. MORTON. The fact is that at Culver City, Ky., there is an enormous

stockpile of chromium. It is right next to a plant which will beneficiate or upgrade it. Also, many capable, trained workers are located there. The factory is there. There is plenty of electricity and ample power.

Every time the wind blows, the dust, which is a product of the chrome, disappears. So there is erosion of the stockpile. If the material is upgraded, there will be no erosion.

I commend the Senator from Washington. I hope the Office of Defense Mobilization and the General Services Administration will proceed to carry out the pilot program which the Senator's committee has made available to it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HUMPHREY. As the Senator from Washington knows, Minnesota has deposits of low-grade manganese ore. There is a plant in the north central portion of my State, which during and after World War II was utilized for the processing of low-grade ores. It is a pilot-plant type of operation. However, it has been operated by the industry.

Would it be within the scope of this appropriation, if the ODM so determined, to have the beneficiation of low-grade manganese ores accomplished through such a facility?

Mr. MAGNUSON. If I understand the Senator correctly, he refers to the beneficiating of ores we now process and which are lying on the ground somewhere.

Mr. HUMPHREY. That is correct.

Mr. MAGNUSON. Ores which are not properly stored, or are not stored under the best conditions. It would not be well to dig new ore.

Mr. HUMPHREY. I understand.

Mr. MAGNUSON. But it would be within the purview of what we are trying to do. I am certain that when we consider the increased value of the ores and their strategic necessity, the situation the Senator mentions would be covered.

Mr. HUMPHREY. I recall that some time ago we provided for manganese storage. In the Senate bill, we were able to get one of the storage facilities located in Minnesota. I believe that provision was eliminated in conference. That was 2 years ago. We had some manganese ores mined above ground, and which were mined out some years ago. I believe they are Government owned.

Mr. MAGNUSON. They would have to be Government owned in order to come under the program.

Mr. HUMPHREY. Then they would be available, if the Office of Defense Mobilization so determined.

Mr. MAGNUSON. Yes.

Mr. HUMPHREY. I associate myself with what has been said about the desirability of this program. I think the Senator from Washington has performed a service for our economy in what is proposed. I am familiar with it because of the work which is being done in northern Minnesota through the University of Minnesota Bureau of Mines. The ores are lying there. The ores lose

their value if they are not properly stored, but when they are beneficiated and upgraded, their value improves and their market value is enhanced.

Mr. MAGNUSON. That is correct.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SPARKMAN. I wish to ask the distinguished chairman of the subcommittee about amendment No. 43, the one which provided \$100,000 for farm-housing research. I was greatly disappointed to learn from the report that that provision had been deleted.

I commend the Senator from Washington and his subcommittee for having included \$100,000 when the bill was reported to the Senate. I am greatly disappointed, however, that that amount was not agreed to in conference. Will the Senator give us some light on that item?

Mr. MAGNUSON. The Senate conferees were disappointed, too. But we had great difficulty in getting agreement to certain portions of the appropriation bill, and this was one item about which the House conferees were adamant. They were against farm-housing research, I may say in all fairness to them, but they thought the matter should be handled by the Department of Agriculture.

Mr. SPARKMAN. The Senator may remember that that question was raised before his subcommittee. But no provision was made for this item in the Department of Agriculture appropriation bill.

I know of no other relatively small appropriation, such as this, which would do more good. The Federal Government is spending \$350 million to help cities to eliminate slums. Not a dime is provided in the bill to help to eliminate slums on the farms. Some of the worst slums in the United States are to be found in the rural areas, on the farms.

A year ago, Congress passed a farm housing research program, which originally provided \$300,000 a year for 2 years. Last year the program got underway with an appropriation of \$75,000. Therefore, we simply asked for \$100,000 as an appropriation this year, in order to carry the program forward. It is going forward now under the direction of four land-grant colleges in different areas of the United States. These are typical research programs.

But without the money which was provided in the bill—and I see little chance of having it provided now in some other bill—it will mean that the program which has just gotten underway may have to come to an end. It was only about a month ago that the first contracts were signed for the four land-grant colleges to do the research.

I am not saying anything against the chairman and the other members of his subcommittee because they included the item in the bill. But I desire to have the RECORD show that Congress appropriates thousands of dollars each year, and I daresay there was a new appropriation this year, for study of how to build hogpens, corncribs, and chicken-houses, just about everything one can

think of, but not a dime to learn how to build farm housing from materials which the farmers themselves can produce, and in a way in which they can utilize their own labor; the type of farm housing which they can afford to build in order to replace the slums which can be seen in so many of the rural areas of the Nation.

It is regrettable. Some way ought to be found by which this program can be assisted. I invite the assistance of the Senator from Washington, and the Senator from Illinois [Mr. DIRKSEN] with whom I have talked several times concerning the matter, so that some way can be found to enable the program which has just gotten started to be carried on.

Mr. DIRKSEN. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. DIRKSEN. If it had not been for the skillful, aggressive negotiations by the distinguished Senator from Washington, there would not have been any money provided for this purpose in the conference. The House conferees took a very dim view of this appropriation. It was only through the aggressive efforts of the distinguished Senator from Washington that at least \$100,000 for this item was retained in the bill.

Mr. SPARKMAN. I do not understand that to be true. Nothing was retained. It was due to the assistance of the Senator from Washington and the Senator from Illinois that \$100,000 was included in the Senate bill in the Senate.

Mr. DIRKSEN. That is correct.

Mr. SPARKMAN. What I am lamenting now is that there is nothing in the bill as it has come back to us from conference.

Mr. DIRKSEN. The Senator is correct.

Mr. SPARKMAN. What I am asking is help, so that somehow, in some way, before Congress adjourns, \$100,000 may be appropriated in order to allow this program, which has just gotten started, to move ahead.

Mr. DIRKSEN. The Senate took care of it in the Independent Offices appropriation bill.

Mr. SPARKMAN. The Senate did, yes.

Mr. DIRKSEN. But missionary work would have to be done elsewhere than on this side of the Capitol, because the Senate took care of its responsibility in the matter. We failed, I suppose, in our effort to persuade and convince the other body.

Mr. SPARKMAN. I want the Senator from Illinois to understand that I said in the very beginning of my remarks that I had no complaint to make against the Senate subcommittee, because I recognize what was done in the Senate.

What I am asking for is some way in which to carry this program forward. The chairman of the subcommittee has said that the principal reason for the objection on the part of the House conferees was that the item should be carried in the Department of Agriculture appropriation bill rather than as a housing matter. The Senator from Illinois may recall that I have said all along that I do not care where the item is

carried, so long as the funds are provided.

Mr. SALTONSTALL. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. I support what the Senator from Illinois has said. The Senator from Washington worked hard to have this item retained in conference. But the House conferees were adamant. They said a substantial sum—my memory is that it was \$25,000—still remained from a previous appropriation and had not been used for this purpose. Therefore, they really wanted to have the program proceed with that money. They wanted the program to go ahead if money could be made available from funds already appropriated. That is my memory as to why the House was so adamant.

Mr. SPARKMAN. Yes. A few minutes ago I said that the contracts for the first year's program were signed only several months ago. I do not know just what the status is. I should think there are adequate funds to carry the program during the first part of the year, but certainly not for the entire fiscal year. The contracted amount was \$75,000; and the administrative expenses of the Housing and Home Finance Agency will be in addition.

Mr. SALTONSTALL. Mr. President, will the Senator from Washington yield again to me?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. Of course, in January we shall have another supplemental appropriation bill and another independent offices bill; and if the funds required are included in one of those bills, we will be able to consider the matter again at that time. In the meantime we can see how the contract now in effect is carried out.

Mr. SPARKMAN. Of course that is something of a commitment—if I may call it that—which I have really been inviting.

I realize that the item is out of this measure, and that we probably will not be able to have it included in the last supplemental bill at this session. Of course I realize that in January there will be additional appropriation bills. I wish to be certain that the item will be included in one of those bills, so there will be continuity of the program and the plan.

Mr. LANGER. Mr. President, will the Senator from Washington yield to me?

The PRESIDING OFFICER (Mr. PROXMIER in the chair). Does the Senator from Washington yield to the Senator from North Dakota?

Mr. MAGNUSON. I yield.

Mr. LANGER. I wish to say that I supported this program before. Although it can be handled in January, some of us may not be back here then. So I would rather handle it now.

Mr. MAGNUSON. I understand.

Mr. President, when the Senator from Alabama [Mr. SPARKMAN] testified before the committee, he recognized the fact that probably this matter should be handled in a supplemental bill, because of the time element involved. However, we did include the item in the bill as

passed by the Senate. The trouble was that the House administration—as indicated on page 134 of the side slips—took the position shown by the following:

Senator MAGNUSON. In the 1958 appropriation you had \$75,000 for farm-housing research. That is not asked for in this budget?

Mr. COLE. We did not ask for that to be reinstated, Mr. Chairman.

Senator MAGNUSON. Why?

Mr. COLE. Well, we feel that farm-housing research is primarily the responsibility of the Department of Agriculture. They are doing many things in farm-housing research, and from my point of view, so far as I can tell, a very good job. We have technicians, we have an understanding of housing, we know housing, but our housing has been primarily, and almost entirely, nonfarm housing. We have never felt we should be involved in farm-housing research; therefore, from our point of view, we have not asked for it to be reactivated.

The \$75,000 granted last year I hope will be, and I think it will be, expended satisfactorily; but in the first place, it is a small amount, and if such a small amount is to be used, it is our judgment that it can be used more satisfactorily by the Department of Agriculture.

Mr. SPARKMAN. Mr. President, will the Senator from Washington yield again to me, so that I may make a comment at this time?

Mr. MAGNUSON. Yes; but, first, let me say that we included the item for the funds, anyway. However, the House conferees simply would not go along with us.

Now I yield to the Senator from Alabama.

Mr. SPARKMAN. Mr. President, I wish to say that Al Cole is a good friend of mine. I served with him in the House of Representatives, and I came to know him quite well. I respect his feeling that he does not want to engage in farm-housing research.

Nevertheless, the Congress has 2 or 3 times directed him to engage in farm-housing research; and only 2 or 3 weeks ago the Senate reaffirmed that position by extending the farm-housing research program for 3 years. So it seems to me that certainly there should be some sort of cooperation on the part of the executive branch; and if the executive branch does not want this work handled in the Housing Agency, at least it should send to the Congress a budget estimate to be included in the Department of Agriculture appropriation bill.

Mr. MAGNUSON. Yes.

Mr. SPARKMAN. So I hope the Senators who are interested in this matter will be helpful either in connection with the final supplemental bill which may come before us or in connection with the appropriation bills which will come before us early next year.

Mr. MAGNUSON. Mr. President, no one has been more devoted to this cause than has the Senator from Alabama.

I remember that last year, I suggested, and got the committee to agree with me, placing in the bill an item for research projects in the case of housing for elderly persons.

Mr. SPARKMAN. That is correct.

Mr. MAGNUSON. This time we got the same amount included.

But I believe that we shall have to let the Agency proceed with the funds it now has.

Mr. SPARKMAN. It still has most of the \$75,000, because the program is just getting underway.

Mr. MAGNUSON. Then we can see whether we can resolve the difficulty or the difference, as between the Department of Agriculture and the Housing and Home Finance Agency.

But it is true—and I have checked into the matter—that the Agency has been directed to do this work.

Mr. SPARKMAN. Yes; it has been directed by Congress to do so.

Mr. MAGNUSON. Yes.

Mr. DOUGLAS. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. DOUGLAS. Am I to understand that the conference report provides for an appropriation of approximately \$39 million for acquisition of sites and preparation of plans for public buildings throughout the country?

Mr. MAGNUSON. That is correct.

Mr. DOUGLAS. Is it true that the general list includes, as one of the items, a consolidated Federal office building in Chicago?

Mr. MAGNUSON. Yes; and it is listed in the report on page 9, amendment No. 15. That is an appropriation of "\$39,915,000 for sites and expenses of public buildings projects as proposed by the Senate, instead of \$38 million as proposed by the House. Among the projects approved in the sites and planning item are the proposed Federal buildings and courthouse in Chicago, Ill."

Mr. DOUGLAS. I wish to thank the Senator from Washington for his great help in connection with this matter. Did not he find Representative YATES, of Illinois, to be of assistance to him in having this particular appropriation item retained?

Mr. MAGNUSON. Yes. All Members of the House who have worked on the public buildings program were of great assistance; and Representative YATES did press the point for the long-needed project in Chicago.

Mr. DOUGLAS. I believe that in the long run this project will save money for the Federal Government, because it will reduce the rents which otherwise would have to be paid for the Federal offices, which now are scattered through the city.

I wish to thank the Senator from Washington for the very careful attention he has given to this subject.

Mr. REVERCOMB. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. REVERCOMB. I thank the Senator from Washington for yielding.

In the appropriation bill as passed by the Senate, there was included an appropriation item for public buildings in West Virginia at Charleston, Parkersburg, Ronceverte, and Martinsburg. I wonder how those items fared in the conference.

Mr. MAGNUSON. The Appropriations Committees of the House and Senate this year made the shift, as a matter of policy, from lease-purchase to direct appropriations, for these buildings.

Mr. REVERCOMB. That is correct.

Mr. MAGNUSON. And we found that some items were rather squeezed, in the process of making the shift.

Some bids had been let, and some projects had been started.

In West Virginia, the one at Charleston will be under a direct appropriation; the one at Huntington will remain under lease-purchase.

Mr. REVERCOMB. I so understand.

Mr. MAGNUSON. The one at Martinsburg will be under a direct appropriation; the one at Mount Hope will remain under lease-purchase. The ones at Parkersburg and Ronceverte will be under direct appropriations.

Mr. REVERCOMB. What about the one at Charleston?

Mr. MAGNUSON. The one at Charleston is under a direct appropriation.

Mr. REVERCOMB. I thank the Senator from Washington very much, indeed.

Mr. HUMPHREY. Mr. President, will the Senator from Washington state the situation in regard to the Minnesota projects?

Mr. MAGNUSON. In Minnesota, those at Bemidji, Brainerd, Minneapolis, and—and I see there an item I did not notice—one for my old home town.

Mr. HUMPHREY. Yes; Moorhead.

Mr. MAGNUSON. Yes—and, in addition, St. Paul, will be under direct appropriations.

The only one retained under lease-purchase will be Redwood Falls.

Mr. HUMPHREY. That is the item for the post office building there, is it not?

Mr. MAGNUSON. Yes.

Mr. HUMPHREY. And in the case of Minneapolis, it is for the Federal courts building?

Mr. MAGNUSON. Yes; or what we call the Federal building.

Mr. HUMPHREY. Yes. Was any change made in the appropriation for it?

Mr. MAGNUSON. The item for Minneapolis is in the amount of \$5,634,000, for construction only; and the item for St. Paul is in the amount of \$8,063,000, also for construction only.

Mr. HUMPHREY. And the Bemidji and Brainerd items, as I recall, are for combined Federal buildings.

Mr. MAGNUSON. Yes. They are listed as post offices; but, as the Senator knows, they can be used for any Federal purpose.

Mr. HUMPHREY. Including the Department of Agriculture, the Post Office—

Mr. MAGNUSON. Yes—for other purposes.

Mr. HUMPHREY. I thank the Senator from Washington.

I also thank him for the consideration given to these items in connection with the committee's work; and I am pleased that, inasmuch as his old home town still heralds him as the greatest of all Senators, Moorhead, Minn., has been

properly cared for and its needs have been met by its favorite Senator, the distinguished Senator from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. President, I must confess that I did not know that item was included.

Mr. HUMPHREY. The Senator from Washington undoubtedly knew it subconsciously, because his heart always beat strongly for Moorhead, Minn., I am sure.

Mr. MAGNUSON. I probably am a little lax, because there is nothing like that in the bill for the State of Washington.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CARROLL. Will the Senator take a look at what has been authorized for the State of Colorado?

Mr. MAGNUSON. I have the figures before me.

Mr. CARROLL. I should like to know if Colorado gets any different treatment from that accorded the State of Washington.

Mr. MAGNUSON. The public building projects outside the District of Columbia programed for construction after 1959 are contained in a list of priorities which includes for Denver a direct appropriation amount of \$17,390,000, but funds are in this bill for sites and planning, to get the project started.

Mr. CARROLL. I thank the Senator.

Mr. MAGNUSON. Let me call attention to the wisdom of the Appropriations Committee in going back to the concept of direct appropriations. I opposed the lease-purchase bill because of the large cost. My friend from Colorado will get some idea of what is involved when I say that instead of \$17,390,000 of the taxpayers' money being spent, under the lease purchase arrangement the cost would have been \$35 million.

Mr. CARROLL. When I first came to this body I had the privilege of being assigned to the Public Works Committee—

Mr. SALTONSTALL. Will the Senator talk louder? There is a group policy involved, and we all agreed to work out the policy. I would like to hear what is going on.

The PRESIDING OFFICER. The Senate will be in order so the Senator may be heard.

Mr. MAGNUSON. In the bill there was included by the House a direct appropriation for Federal buildings outside the District of Columbia of \$177,155,000. It would have amounted to \$348,435,000 to get them under the lease-purchase arrangement. On the 14 deferred projects outside the District of Columbia, direct appropriations will be \$291 million, whereas the cost would have been \$614,927,000 under the lease-purchase arrangement.

Mr. CARROLL. Mr. President, will the Senator yield?

Mr. MAGNUSON. Yes.

Mr. CARROLL. I may say to the distinguished Senator from Massachusetts that when I first came to this body I was assigned to the Public Works Committee. The subcommittee of that

committee, of which the Senator from New Mexico [Mr. CHAVEZ] is the chairman, considered legislation which had been enacted previously. It was a re-examination of the lease-purchase concept. Some of us felt that not only was it expensive, but that it was not doing the job. We thought we ought to go back to the concept of direct appropriations. That has been done. I commend the chairman and the committee for what they have done. This proves conclusively that in the long run direct appropriations will cost the taxpayer less money.

Mr. MAGNUSON. There were submitted to us four projects for the District of Columbia. One was for removal, planning, and site money for Jackson Square, which is located near the Court of Claims Building, at Lafayette Square. Another project for which the committee appropriated construction money is located in the Southwest area, a general office building.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CHAVEZ. I do not want to ask the Senator any questions about the conference report, but I have been waiting quite a while to have the Senate consider the military defense appropriation bill. I hope the Senator from Washington will have his conference report adopted, so we can talk about \$41 billion, which is a much larger sum than that now under consideration.

Mr. MAGNUSON. Many Senators are interested in the conference report, and I shall move ahead as fast as I can.

Mr. President, I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 17, 20, and 58.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Washington.

The motion was agreed to.

Mr. MAGNUSON. Mr. President, very briefly, amendment No. 1, as to which no agreement was reached in conference, involves the sum of \$589 million. In times past the Senate has put a contribution to the civil service retirement fund, in its version of the appropriation bill. The Senator from New Mexico, the Senator from Louisiana, and other Senators all have gone through the testimony regarding that matter. Up until about 3 years ago, while we were waiting for the so-called Kaplan report, we, in effect, reported zero dollars. In the meantime, of course, employees continued putting their contributions into the fund. The House used to disagree with the Senate, and the amount proposed by the Senate never remained in the bill. This time, the House having the bill first, provided \$589 million-plus as the Government's contribution to the civil service retirement fund.

Because of the lack of policy in appropriating for the Government's participation in the fund, a deficit has developed whether it be as a result of what is called bookkeeping or otherwise, of something over \$18 billion.

The House was of the opinion that at least this year we should make a start,

and provided \$589 million-plus, representing interest on the amount the Government has not paid into the fund as its share, so that at least the Government would keep up with the interest. The matter has always been one of controversy between members of the House committee and the Senate committee.

Three years ago I think I was one of those who was most insistent that we do something like what is now proposed. This time the Senate committee felt that we should not appropriate \$589 million, but, in lieu thereof, should ask the General Accounting Office, the Budget Bureau, and the Civil Service Commission to submit to us in January a definite formula as to what should be provided each year in the appropriation in order to keep the fund up, or whether there should be any appropriation at all.

Of course, the argument is always made, and it has some validity, that it is not necessary to appropriate an amount as the Government's share, because, so long as the Government is solvent, the money is technically and theoretically in the fund. The argument on the other side of the question has been that if the employees have to pay the money into the fund, the Government ought to pay in its share. Of course, if the retirement fund were that of a private insurance company, the company would have been broke or in bankruptcy or receivership.

I can remember the time when this question was subject to political discussion. I can remember in times past when the question was asked, "Where is the special fund for retirement? It has been spent for boondoggling." The fund has been the subject of political controversy in the past. However, this time the House, on its own initiative, provided \$589 million-plus, for interest only. The majority of the Senate committee and of the Senate conferees stated we would adhere to our position. The House Members have considered their amendment on two occasions. As will be seen from page 4777 of the RECORD, when the bill was passed the Representative from New York [Mr. TABER], offered an amendment to strike the amount, which was rejected on a division. That was by a vote of 47 to 128.

Following that, Mr. HYDE offered an amendment to strike the proviso in the bill to the effect that no retirement benefits should be increased until money was appropriated therefor, and that was rejected on a division vote, 83 to 52. Then after the conference the House insisted on the amount and the language. That puts us in the position where, in order to have a bill, I am going to move that the Senate recede from its amendment No. 1, which strikes out the \$589 million-plus and the accompanying language. I know that my distinguished colleagues on the other side have something to say about this motion at this time, so I will yield the floor.

Mr. DIRKSEN and Mr. JOHNSTON of South Carolina addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DIRKSEN. Mr. President, I ask for the yeas and nays on the motion of

the Senator from Washington [Mr. MAGNUSON].

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. DIRKSEN. Mr. President, I have seen a great deal of legislative language in appropriations bills in my time, but I have never seen anything quite so all-inclusive as this. I think the Senate ought to know what the implication of the language really is. The language has been very skillfully drawn. I pay tribute to the one who exercised his draftmanship on the other side of the Capitol.

I will say that the amendment with which we are dealing now is a divisible, twofold amendment. First, it contains money; namely, \$589,000,000 which was not carried in the Senate bill, not asked for by the President, and not asked for by the Bureau of the Budget. The House wrote that in.

Secondly, the amendment contains language.

First, I shall deal with the language very briefly. I want to make it clear that under the language there is a provision that none of the funds in the act, meaning the appropriation bill, and none of the funds in the civil service retirement fund, meaning all the \$7½ billion in the fund today, and none of the funds which might accrue hereafter, meaning this would become permanent legislation rather than temporary legislation, can be used—and this is the gimmick, of course—for any annuity increase for anybody who comes within the purview of the Civil Service Retirement Act, or for any new benefit based upon that act.

To show what the implications of the language are, had the language been on the statute books when the Retirement Act went on the books last year or the year before, there would have been a mandate upon Congress to provide for nearly \$5 billion before payment of any annuities. That is what the language means.

But there is a savings clause. It is said, "Of course you can pay new annuities or old annuities, or you can increase benefits, provided you make an appropriation in an amount sufficient so that there will be no increase in the unfunded liability of the fund."

That is very fancy language, Mr. President, but it means that every dollar of interest and every dollar we owe year by year must be appropriated, no matter what the state of the budget is, before we can increase an annuity for the thousands of civil service employees who have retired and who are enjoying retirement annuities.

If ever I saw an amendment which tied the hands of Congress, this is it. If ever I saw an amendment which stultified the Congress, this amendment is it.

That is not all. This is legislation on an appropriation bill just as pure and unrefined as any I have ever seen in my life.

I have an idea the proponents were willing to relent on the amendment. Had we tried to write the language in on the Senate side we would have had

to submit the proposal to the Senate and get a two-thirds vote in order to do so. But the language went in on the House side. When the language comes over from the House, there is no chance to make a point of order against it. Had the language been proposed in the Senate, any Member of the Senate could stand up on the floor of the Senate, make a point of order, and have the language deleted.

However, we are considering an amendment which is pure legislation from every standpoint, and so restrictive that Mr. Keating, a representative of the postal workers, appeared to express their complete objection to this kind of language in an appropriation bill. The postal workers know what the language will do.

Mr. SALTONSTALL. Mr. President, will the Senator yield with respect to the language?

Mr. DIRKSEN. Yes.

Mr. SALTONSTALL. What the language means in substance is that the present fund of \$18 billion and the appropriations made from year to year, cannot be used for any increase in any civil-service retirement fund which would come under the act without sufficient money being specially appropriated to take care of such increase; is that correct?

Mr. DIRKSEN. The Senator is quite correct.

To translate that into actuality, let us suppose there is an increase in the cost of living which throws a burden upon those who are retired today. Through their spokesmen those persons may come to both Houses of Congress to say, "We would like to have a little increase in annuity." But unless we make provision for an appropriation for every dime owed to the fund, so that the funded liability would not be increased, we could not, under this language, entertain any provision to increase the annuities of those who are on the retired list.

It is no wonder those employees are opposed to the language. That is one reason I am opposed to the language, also, but I am opposed for another reason.

The sum of \$589 million has been written into the bill. That \$589 million is so calculated as to represent in a sense the difference between all amounts carried in various appropriation bills as the Federal Government's contribution to the civil-service retirement fund and what we would normally owe, including the interest. There have been some minor items which were picked up, but when they were all put together they added up to \$589 million.

Mr. President, I will tell the Senate why I am opposed to this motion. In the first place, there was no request for this action. As was pointed out in the conference, the law says the Civil Service Commission shall make a request to the Bureau of the Budget. That is absolutely true, but that is no mandate to Congress; that is no mandate to the Bureau of the Budget; and that is no mandate to the President to request the money. That is a ministerial function which the Civil

Service Commission is compelled to perform. The Commission must go to the Bureau of the Budget and say, "We make this request," so that the Federal Government can undertake its full share of the responsibility and reliability under the act of 1922 and the amendments which have been incorporated in the act.

The President has not asked that such be done, and the Bureau of the Budget has not asked for it.

The retirement fund, Mr. President, has never been funded. I think the Members would like to know that in the period from 1921 to 1928 the actuaries had recommended there be paid into the fund \$168 million. Nothing was ever paid into the fund in that period of time.

In the years from 1931 to 1937 less than one-half of the amount recommended by the actuaries was paid in under appropriations by Congress.

In 1944 the actuaries recommended that \$413 million be appropriated. Congress appropriated only \$175 million, roughly a little less than half.

From 1945 until 1953 I think the most which was appropriated was \$355 million and the low amount appropriated was \$246 million. These sums were far less than the recommendations.

In 1954 it was recommended that we pay in \$663 million. How much did we appropriate? Did we appropriate \$663 million? Indeed not. We appropriated only \$30 million.

In 1955 it was recommended that we pay in \$691 million. Did we pay in \$691 million? Indeed we did not. We put in the fund, by appropriation, \$33 million, an infinitesimal fraction of the whole amount.

All this adds up to what? In my judgment it was never intended that this fund be actuarially fully funded. No other retirement fund in the Government is. Even though there are no contributions in the military, there is a deficit of \$18 billion in the military pension fund. It is not funded. None of them are. This fund is, in fact, in as good shape as any of the other retirement funds we have, if not in better shape.

I point out that when we passed the last retirement bill, as an amendment to the basic Civil Service Act, when Mr. Young was still chairman of the Civil Service Commission, had this amendment been on the books the Civil Service Commission would have had to come to us and say, "We must have \$4,900,000,000 by direct appropriation in order to comply with a legislative provision carried in an appropriation bill."

Speaking for myself, and meaning no affront to the House or to its integrity or judgment, I simply say that I have never seen such a legislative provision such as this in an appropriation bill.

For the reason stated, I believe that the motion made by my distinguished chairman, the Senator from Washington [Mr. MAGNUSON], ought to be voted down. I cannot speak for him. I know what is in his heart and in his mind, and I subscribe to it. We think we ought to wait until next year, that we ought to bring the Budget Bureau representatives before us, that we should bring

the Civil Service Commission representatives before us, and bring before us the special committee which was established for that purpose. We ought to go into the entire subject matter thoroughly before we take further action, because I think that is the wise and prudent course.

Mr. President, \$589 million is not hay. This provision would become effective in the fiscal year 1959. Where are we to get the money? Already we have preliminary estimates that the Federal deficit will be eleven thousand million dollars. I say "thousand million" instead of "billion" because it sounds bigger, and because it scares me more than the other way of expressing it. When I was a little boy and was good all during the week, my mother would give me a penny on Sunday, and to show her arch-frugality, she would say, "My son, don't spend it all in one place." So a country boy is frightened by these figures. So I say "eleven thousand million dollars" will be the deficit, according to all present reports.

All we do here is add to the deficit. Where do Senators think the Treasury is going to get the \$589 million? It must borrow it. It goes into the market and sells bonds and borrows the \$589 million to put in the retirement fund, and the Civil Service Retirement Fund earns interest on it. That is a rather singular proceeding.

Why put it in? Is it because there is fear? There is \$7,500,000,000 in the fund. The testimony is that by 1974 the fund will be in excess of fourteen thousand million dollars, and then it may go downhill.

But I advise my senatorial colleagues that the full faith and credit of the Government of the United States is behind that fund. If there is any danger about that, we might as well develop some apprehensions about military retirement, railroad retirement, and every other form of retirement of which I have any knowledge, in the entire Federal structure.

So I hope this motion will be rejected. I am confident that my distinguished chairman will be only too glad to take another good look at this subject in January. I want to sit at his right hand and take a look with him when the time comes. This provision is thoroughly objectionable, because it stultifies the Congress. It ties our hands so far as increases in benefits are concerned, because they would be contingent upon an appropriation to make this fund funded to the point where there would be no increase in the liability.

Finally, it is an unwarranted and unjustifiable burden upon the budget. Every Member of this body knows that this money will have to be borrowed, which will only add to the staggering deficit which will be reported when we come to the end of the fiscal year on June 30 next year. That ought to be reason enough to reject the pending motion.

I add one further point. I wish to be careful not to transgress the rule; but my understanding is that when this question went back to the House of Rep-

resentatives there was no record vote on this item to express the further disagreement of the House. I hope, therefore, that by a resounding record vote this item can be sent back. I am quite confident that the Senate position will ultimately be maintained.

Mr. President, I yield the floor.

Mr. JOHNSTON of South Carolina. Mr. President, I wish to commend the chairman of the committee, the Senator from Washington [Mr. MAGNUSON] for his stand on this particular question. I think the House has started on a course in the right direction. I think the Senate should recede from its amendment.

The reason I make that statement is that I find, in looking at the retirement report for the fiscal year ended June 30, 1957, the following figures for the various years:

From 1921 to 1928, the employees paid in \$142,729,500. The Government did not match that sum at all. Neither did it have funds in the retirement fund on which to pay interest. If it had been in the fund, the Government would have used it. It would have placed in the fund about 1½ times the amount I have mentioned.

In 1929 the Government did not fully match the amount paid in by the employees. In 1930, it did not fully match it. In 1931, 1932, 1933, and 1935 the Government did not match the amount paid in by the employees.

However, it will be found that in 1936 the Government more than matched it. That was done in an effort to make up for what it had failed to do in years past.

In 1937 it did likewise. In 1938 it put into the fund twice the amount paid in by the employees, in an effort to make up for the back periods.

The same thing happened in 1939. The Government put into the fund more than double the amount paid in by the employees. In 1940 it more than doubled the amount paid in by the employees. It was doing what it is sought to do by this amendment at the present time. There was an effort to make up for the back years. So it is nothing new for the Congress to go back and pay up for the years during which it failed to pay into the fund.

Let us look at more recent years. In 1954 the employees paid in \$425 million, and the Government paid only \$35 million, or less than one-tenth. In 1955, \$440 million was paid in by the employees, and the Government paid \$33 million, about 7 or 8 percent of what the employees had paid in. At the present time the Government is trying to go back and, in a small way, pay into the fund what it should have paid in in years gone by. The longer we put it off, the more difficult it will be for Congress to try to make up what the Government should have paid in in years gone by.

The employees' deduction has totaled \$6,200,000,000. The Government contribution totals \$4,200,000,000. We must bear in mind that if the Government had paid in during those years in the past, it would have been paying interest on that money, because the fund lends money to the Government at actual cost

for whatever purpose the Government borrows the money. The Government does not pay any interest. Is that right? I do not believe it is, and I am here today to back up the chairman in his position, because his position is right. The longer we put it off the harder it will be to try to match the funds which ought to have been matched already.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. The distinguished Senator from South Carolina is only trying to keep the fund solvent. Is that right?

Mr. JOHNSTON of South Carolina. That is correct. Everytime we come forward with a retirement bill we hear the argument made: "Oh, this is not solvent." This is one thing which will make it insolvent, and we will do our duty to the fund.

Mr. President, I ask unanimous consent that there may be printed in the RECORD at this point, a statement prepared by the United States Civil Service Commission, Bureau of Departmental Operations, Retirement Division, showing the status of the Civil Service Retirement Fund as of June 30, 1957.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

UNITED STATES CIVIL SERVICE COMMISSION	
BUREAU OF DEPARTMENTAL OPERATIONS	
Retirement Division	
<i>Simplified statement of the Civil Service Retirement Fund as of June 30, 1957</i>	
Since the fund began Aug. 1, 1920—	
Employee deductions have totaled.....	\$6,200,000,000
Government contributions have totaled.....	4,200,000,000
The fund has earned in interest.....	2,400,000,000
Total income has been.....	12,800,000,000
Benefit payments have totaled.....	5,300,000,000
The fund now has a balance of.....	7,500,000,000
But liabilities total.....	25,500,000,000
Thus there is a deficiency of.....	18,000,000,000
The liabilities include amounts—	
To the individual credit of present employees.....	4,500,000,000
To pay future benefits to present annuitants.....	5,000,000,000
These two items total.....	9,500,000,000
Which exceeds the fund balance of \$7,500,000,000 by.....	2,000,000,000
The additional amount needed to pay future annuities for service already performed by present employees is.....	16,000,000,000
Which adds to a total deficiency of.....	18,000,000,000

*Simplified statement of the Civil Service Retirement Fund as of June 30, 1957—Continued*

Present annuitants—	
Have contributed to the fund, including interest.....	\$750,000,000
Have already received in benefits.....	2,000,000,000
Will receive in future benefits.....	5,000,000,000
Thus, will receive in total benefits about 10 times their own contributions, or.....	
	7,000,000,000
For the fiscal year 1958—	
Normal cost is.....	1,347,975,000
Interest on the deficiency is.....	539,652,000
Total cost is.....	1,887,627,000
Employees will contribute.....	649,025,000
Leaving Government cost of.....	1,238,602,000
Agency contributions will be.....	624,063,000
Fiscal year 1958 cost not met by employee deductions and agency contributions will be.....	
	614,539,000

Mr. JOHNSTON of South Carolina. Mr. President, I also ask unanimous consent to have printed in the RECORD at this point table C-1—Operating receipts and disbursements and balance in the retirement fund for the fiscal years 1921 to 1957.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE C-1.—Operating receipts and disbursements and balance in the retirement fund for the fiscal years 1921 to 1957

Fiscal year ended June 30	Receipts				Disbursements					Transfers from (+) to (—) other retirement systems	Balance in fund June 30
	Salary deductions, voluntary contributions and service credit payments	Government appropriations	Interest on investments	Total receipts	Payments to retired employees	Payments to survivor annuitants	Payments of refunds and death claims	Adjustments	Total disbursements		
1921-1928.....	\$142,729,500.09		\$13,211,143.86	\$155,940,643.95	\$51,032,215.83		\$21,966,957.44	-\$43,788.62	\$72,955,384.65		\$82,985,259.30
1929.....	23,122,943.18	19,950,000.00	4,446,797.16	52,519,740.34	12,005,059.88		4,067,423.54	-9,913.35	16,062,570.07		119,442,429.57
1930.....	29,048,108.65	20,500,000.00	5,899,257.42	55,447,366.07	13,107,731.55		5,019,107.36	-30,340.00	18,126,498.91		156,763,296.73
1931.....	29,944,191.69	21,000,000.00	7,332,320.46	58,276,512.15	19,859,891.09		4,160,371.69	-27,945.37	23,992,317.41		191,047,491.47
1932.....	31,889,697.70	21,000,000.00	8,588,812.85	61,478,510.55	23,545,700.19		3,924,374.87		27,470,075.06	-\$1,467,800.94	223,588,126.02
1933.....	30,493,792.21	21,000,000.00	9,752,298.53	61,246,090.74	30,048,405.96		4,789,286.09		34,837,692.05		239,996,524.71
1934.....	28,703,458.68	21,000,000.00	10,518,358.79	60,221,817.47	39,620,913.80		8,035,785.74		47,656,699.54		262,561,642.64
1935.....	30,089,204.72	21,000,000.00	10,822,890.96	61,912,095.68	46,970,622.68		5,773,407.52		52,744,030.20		271,729,708.12
1936.....	32,405,114.23	40,150,000.00	11,712,785.15	84,267,899.38	50,243,146.50		6,465,675.63		56,708,822.13		299,288,785.37
1937.....	34,900,072.51	46,200,000.00	13,012,960.98	94,203,033.49	51,900,514.78		7,228,159.49		59,128,674.27	-3,162.77	334,359,981.82
1938.....	37,322,049.95	73,234,760.00	16,635,825.67	127,192,635.62	54,153,266.80		8,322,354.32		62,475,621.12		399,076,096.32
1939.....	39,189,390.16	75,086,760.00	19,220,490.57	133,496,640.73	56,530,979.43		7,287,249.24		63,818,228.67		468,755,408.38
1940.....	42,944,829.42	87,171,760.00	21,564,999.99	151,681,589.41	59,252,240.81		8,063,235.48		67,315,476.29		553,121,521.50
1941.....	55,402,455.43	91,559,110.00	25,163,610.35	172,125,175.78	62,736,210.79		9,633,919.52		72,370,130.31	-57,703.07	652,818,863.90
1942.....	86,927,205.68	101,761,202.00	29,722,392.61	218,410,800.29	65,181,672.41		11,185,722.80		76,367,395.21	-10,384.05	794,851,884.93
1943.....	226,149,125.31	106,137,575.00	37,788,863.36	370,075,563.67	69,463,337.67		14,168,467.69		83,631,805.36		1,081,295,643.24
1944.....	269,408,079.79	175,993,037.00	52,767,637.64	498,168,754.43	74,207,149.21		28,954,250.38		103,161,399.59	-4,379.92	1,476,298,618.16
1945.....	288,114,029.05	195,790,875.00	68,582,148.62	552,487,052.67	80,257,778.58		72,293,349.39		152,551,127.97	-6,891.16	1,876,227,651.70
1946.....	279,537,869.58	226,220,000.00	84,430,220.33	610,188,089.91	88,995,694.43		106,195,067.85		235,190,762.28		2,201,224,979.33
1947.....	255,895,491.10	221,293,000.00	94,394,089.36	571,582,580.46	101,264,807.24		192,608,630.23	+1,199.28	293,874,636.75	-13,329.10	2,478,919,593.94
1948.....	234,847,511.44	245,530,000.00	107,112,645.48	587,490,156.92	114,517,734.93		126,056,064.60	+849.54	240,574,649.07	-15,021.11	2,825,820,080.68
1949.....	325,149,016.50	226,032,000.00	122,798,553.78	673,979,570.28	146,704,613.65	\$2,609,943.10	68,421,210.60		217,735,767.35	+5,499,236.04	3,287,563,119.65
1950.....	355,649,805.37	304,508,880.64	143,173,559.13	803,332,245.14	164,430,000.29	5,777,921.51	96,291,714.37		266,490,636.17	+17,833,623.83	3,842,229,352.45
1951.....	374,872,990.23	307,117,455.27	164,561,022.06	846,551,467.56	185,421,904.44	10,897,666.71	72,534,135.97		268,853,707.12		4,419,927,112.89
1952.....	414,782,450.77	312,776,021.36	188,130,280.70	915,688,752.83	203,625,518.34	16,079,596.08	78,879,612.88		298,584,727.30		5,037,031,138.42
1953.....	420,034,454.57	325,304,154.19	214,609,442.91	959,948,051.67	246,711,418.29	23,472,466.16	91,023,429.55		361,207,314.00		5,635,771,876.09
1954.....	425,000,030.73	35,303,239.17	225,654,018.14	685,957,288.04	281,560,565.67	29,445,478.97	98,118,629.17		409,124,673.81		5,912,604,490.32
1955.....	440,284,878.46	33,678,729.94	234,377,235.52	708,340,843.92	310,280,639.20	34,858,748.06	82,655,739.37		427,795,126.63		6,193,150,207.61
1956.....	570,816,475.90	237,252,793.82	211,829,113.37	1,019,898,383.09	366,320,273.08	44,034,630.84	94,082,162.08		504,437,066.00		6,708,611,524.70
1957.....	640,522,470.98	530,632,662.91	220,793,978.72	1,391,949,112.61	425,645,499.87	53,021,114.70	109,522,080.40		588,188,694.97		7,512,371,942.34
Total.....	6,201,266,694.08	4,164,181,016.30	2,378,607,754.47	12,744,058,464.85	3,495,595,507.39	220,197,566.13	1,537,757,575.26	-109,938.52	5,253,440,710.26	+21,754,187.75	

Mr. JOHNSTON of South Carolina. I hope the Senate will see fit to do its duty this year and in the future years likewise do its duty.

Mr. SALTONSTALL. Mr. President, I rise to oppose, regretfully, my subcommittee chairman, the Senator from Washington, on this subject. On all other parts of the bill we have worked together, and worked out what we hope

are reasonable compromises. On this matter the House would not yield on a voice vote, according to the Senator from Illinois [Mr. DIRKSEN]. In the Senate we have agreed to take a yea and nay vote on the question.

I hope the Senate will stand up for the position it has taken, which I believe is eminently sound, and oppose the motion to recede. We will then, of course, have

to hold a further conference on the subject.

I take my position for several reasons. First, let me read what I understand to be the law on the subject, which is the law of 1956. It states:

The Commission shall submit estimates of the appropriations necessary to finance the fund on a normal cost plus interest basis and to continue this act in full force and effect.

That is the responsibility of the Civil Service Commission to the Budget Director.

The Budget and Accounting Act, section 201 (a), provides that—

The budget shall set forth in such form and detail as the President may determine—

In subsection (5) it is provided that the budget state—

estimated expenditures and proposed appropriations necessary in his judgment for the support of the Government for the ensuing fiscal year.

In this instance, neither the Budget Bureau nor the President recommended the amount which has been included by the House, and which we are now discussing. At the present time, in 1958, there has been recommended by the Bureau of the Budget almost \$625 million. There was appropriated by Congress \$576 million. The employee contributions to the fund amounted to \$667 million. Payments from the fund amounted to \$590 million. In 1957 the fund increased by \$1,100,000,000. What the House amendment would do would be to pay interest on the deficiency in the amount of \$539,652,000.

The Senator from Illinois has pointed out that in the last fiscal year we had a deficit of \$2,800,000,000. There is an estimated deficit for this fiscal year of almost \$10 billion. The amount in the House provision which is under discussion involves one-half of a billion dollars, or approximately 5 percent of what the deficit may be this year.

Personally I feel that so long as the Government is sound financially, we can pay the annuities out of the fund year by year without worry. If our Government becomes unsound financially, then the annuities and the bonds we issue will be worth nothing anyway. If the Government stays solvent and the fund is increased by Government contributions and employee contributions, we will have a sufficiently sound fund.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. CARLSON. I was going to make a comment if the Senator would permit me to do so.

Mr. NEUBERGER. I, too, should like to make a comment.

Mr. SALTONSTALL. I wonder whether the Senators would permit me to let me make another brief statement. Then I shall be happy to yield.

Mr. CARLSON. Certainly.

Mr. NEUBERGER. I shall defer likewise.

Mr. SALTONSTALL. I should like to address some brief remarks to the provision we must consider. The provision in substance is that no part of the appropriation and no part of the money now or hereafter contained in the Civil Service Retirement and Disability Fund shall be paid toward increasing any annuity, unless there is sufficient additional money paid into the fund to prevent an immediate increase in the unfunded accrued liability of the fund.

That means, in substance, that no increased annuities can be paid in the future unless sufficient moneys are appro-

riated, not only to pay the annuities, but also to pay the increase in the annuities, and to pay the interest on the unpaid balance of the Government fund.

I yield to the Senator from South Carolina.

Mr. JOHNSTON of South Carolina. Is it not true that Congress has passed this law? I do not agree with the wording of the amendment, but the next Congress can change the law and do as they see fit with regard to the matter. Congress can change the law as easily as it passed it.

Mr. SALTONSTALL. Certainly the law can be changed at another session of Congress.

Mr. JOHNSTON of South Carolina. I am not worrying too much about the language. I am worrying about the Government not paying its pro rata share into the fund in accordance with the agreement.

Mr. SALTONSTALL. The Government is providing enough now to pay the annuities which will have to be paid from the fund in the current year to match the contributions of the employees. If it is intended that the Government operate an insurance fund actuarially, there is a deficit. That deficit will be difficult to overcome. But my answer to the Senator from South Carolina, who is my friend, is that if the Government remains sound, we have no need for worry. If the Government becomes unsound, no matter how large the fund may be, it will not make any difference, because there will be no annuities paid.

Mr. JOHNSTON of South Carolina. According to that argument, I suppose it would not be necessary for the Government to match any amount at present and for several years to come. Being the chairman of the committee and having held hearings on this particular matter, I know that the retirement fund contains \$7,500,000,000. But that does not mean that the Government does not have the obligation to carry out its part of the agreement.

Mr. SALTONSTALL. I do not agree that the Government has not carried out its part of the agreement, for two reasons: First, it is the responsibility of the President, under the budget law, to submit the amount which he wants. Second, there is enough money to pay the present annuities of employees.

I now yield to the Senator from Kansas.

Mr. CARLSON. Mr. President, I do not like the language of this particular provision. There is no question that the amount of money necessary can be raised now or at some other time. I am one who thinks the fund is sound and strong enough to take care of the situation.

But I remind the Senate that about 2 weeks ago we passed a bill providing an increase in benefits for retired Federal workers. If this language had been in the law, the Senate could not have passed a bill increasing retirement benefits without increasing the payments to the fund. I do not want the Senate to be placed in a position where in future years it might want to increase benefits but would be unable to do so.

Within a few days, possibly, the House will be considering an increase in social security benefits. If this kind of language were in the social security law, there could be no increase unless we voted funds to provide for the increase.

I think the House provision should not be approved. I should dislike to see the Senate agree to such a provision.

Mr. SALTONSTALL. Mr. President, I hope the Senate will reject the motion of the Senator from Washington, and that the Senate will stand by its position and take the matter into further conference.

NATIONAL SCIENCE FOUNDATION APPROPRIATION  
AMENDMENT NO. 57

Mr. President, on another subject, I call the attention of the Senator from Washington to a matter on which I think we are in accord. I should like to make a very brief statement on it in connection with the report.

In the statement of the House managers on the conference report on the independent offices appropriation bill, H. R. 11574, which is before us, the following statement appears at page 12 relating to amendment No. 57 to the National Science Foundation appropriation:

Funds for support of research reactors should be provided by the Atomic Energy Commission.

This statement appears as a part of a purported explanation of the action of the conferees in agreeing to report an appropriation for salaries and expenses of the Foundation in the amount of \$130 million instead of \$115 million as proposed by the House and \$140 million as proposed by the Senate.

As one of the Senate conferees on this bill, I feel that I should say that it was not my understanding that the conferees rejected specifically provision for funds which had been requested by the Foundation for support of nuclear reactors at universities used for basic research purposes. In my opinion this language in the report should not be construed as precluding the National Science Foundation from using part of its general expense appropriation for support of such reactors. However, I understand there is serious question as to whether, in view of the fact that the National Science Foundation's proposed budget of \$140 million for salaries and expenses will have been cut by Congress to \$130 million if this bill is passed, the Foundation will be able to apply \$2 million for this purpose.

The National Science Foundation has included in its program for some time the support of nuclear reactors for basic research purposes. The AEC's program at universities has not included such support, as its program has been limited to nuclear reactors for training purposes. The division of responsibility for nuclear reactor support at universities which I have described has been based on an operating understanding between the two agencies.

While I understand that both agencies would prefer to continue this division of responsibility, I am advised that they are both willing for this year to have funds appropriated to Atomic Energy Commission for transfer to the National Science

Foundation in support of nuclear reactors at universities for basic research purposes. In this way, the important basic research program using nuclear reactors which the National Science Foundation has been supporting will be continued.

The language in the report should certainly not, in my judgment, be construed as precluding National Science Foundation from seeking funds for itself in future appropriation bills so that it can resume its full responsibility for the university reactor basic research program.

I simply say that I hope the National Science Foundation will be able to find the money in the \$130 million appropriation, and that the statement of the House conferees does not mean that the National Science Foundation cannot use its funds to support university reactors for basic research.

I ask unanimous consent to have printed at this point in the RECORD a letter to me, signed by John A. McCone, Chairman of the Atomic Energy Commission, which refers to the testimony of Dr. Libby, a member of the Commission, on April 5, 1957, which corroborates in part the statement I have just made.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES

ATOMIC ENERGY COMMISSION,

Washington, D. C., July 29, 1958.

The Honorable LEVERETT SALTONSTALL,  
United States Senate.

DEAR SENATOR SALTONSTALL: With reference to your inquiry regarding an agreement between the National Science Foundation and the Atomic Energy Commission with respect to the financing of research reactors for colleges and universities, my staff advises me that there is no formal written agreement between the two agencies on this subject. However, there have been several verbal conversations between Dr. Libby and Dr. Alan Waterman, and Dr. Libby prepared a statement for the hearings before the Senate Appropriations Committee on the budget request for the National Science Foundation, Friday, April 5, 1957, which outlines his understanding of the arrangement. I quote from his statement below:

"For example, one of the activities for which Dr. Waterman is requesting funds is to provide a limited number of research reactors to colleges and universities for basic and fundamental research requiring neutrons and radiation. I believe that the NSF program is necessary to supplement the Commission's existing program of providing educational reactors to accredited colleges of engineering. The NSF program will provide research reactors which, in our present state of scientific development, have become a vital piece of research equipment. If, because of a lack of funds, it would not be possible for the NSF to make research reactors available to our colleges and universities, it will be to the detriment of all research."

I trust that this will be helpful to you in considering the conference report No. 2237 on the Independent Offices appropriation bill, 1959 (to accompany H. R. 11574), page 12, amendment No. 57.

Sincerely yours,

JOHN A. MCCONE,

Chairman.

Mr. SALTONSTALL. I call this to the attention of the chairman because I am

confident he agrees with me on this subject. I hope he will support the statement.

I may also say that I have asked Dr. Waterman, Director of the National Science Foundation, to come before the supplemental appropriation hearings this week to clear up any misunderstanding on the subject.

Mr. MAGNUSON. The Senator from Massachusetts is correct. In the case of a bill of so complicated a nature, containing so many items, it was not my understanding that we agreed to all which was put in the House report on this particular subject.

I am further advised that last year, when the question of providing reactors to universities was considered by the Bureau of the Budget, a line of division was arrived at under which the Atomic Energy Commission would support training reactors and that research reactors would be supported by the National Science Foundation on a cooperative basis.

Training reactors are of low power and of simple construction, from which students can learn the fundamentals of operation, but they cannot be used for extensive research. Reactors for basic research must be of higher power, of varied types, and of more complicated construction.

The Atomic Energy Commission has never gone into the business of furnishing reactors to schools and colleges for general research, as the Senator from Massachusetts points out, and has no money in its budget for the purpose of such equipment grants.

Funds for the Atomic Energy Commission are now being considered in the supplemental appropriation bill for 1959, and perhaps this \$2 million could be added to their appropriations for the purpose of working out these grants with the National Science Foundation.

Mr. SALTONSTALL. I certainly hope so, but in any event it should be clear that the National Science Foundation may properly use funds for this purpose from money to be appropriated in the bill before the Senate.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum, that upon the obtaining of a quorum or the withdrawing of the request, the Senator from Massachusetts be allowed 5 minutes and the Senator from Washington 5 minutes, and that the Senate then proceed to vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President—

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Minnesota?

Mr. JOHNSON of Texas. Mr. President, I am working in the face of a deadline; an important meeting is scheduled.

Mr. HUMPHREY. Very well; I am perfectly willing to wait.

Mr. JOHNSON of Texas. I thank the Senator from Minnesota.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JOHNSON of Texas. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JOHNSON of Texas. Mr. President, let me inquire whether the Senator from Massachusetts or the Senator from Washington desires to proceed first to use the time available under the unanimous-consent agreement.

Mr. SALTONSTALL. Mr. President—

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 5 minutes under the unanimous-consent agreement.

Mr. JOHNSON of Texas. Mr. President, I ask for order in the Chamber. It is important that all Members hear the statements which will be made by the two distinguished Members of the Appropriations Committee, because, immediately following their statements, an important vote will be taken.

Mr. SALTONSTALL. Mr. President, the Senator from Washington [Mr. MAGNUSON] has moved that the Senate recede from its position of insisting on the elimination of the item of \$589 million which was included in the bill by the House of Representatives, in connection with the Civil-Service Retirement Fund.

The law states that the President shall submit a budget, under his direction, to the Congress. The President did not include this amount in his budget message.

The Government in the last fiscal year had a deficit of \$2,800 million. This year the deficit will be upwards of \$10 billion.

The \$589 million called for by this item can be obtained only by having the Treasury borrow the money from the public, and then put the money into the Retirement Fund.

The funds paid by the various Government agencies into the Treasury are sufficient to take care of the amounts required to be paid in connection with their retirement funds.

Therefore, I hope the motion of the Senator from Washington will be defeated, and that there will be a further conference with the House on this item.

I yield to the distinguished Senator from Illinois [Mr. DIRKSEN] the remainder of the time available to me.

Mr. DIRKSEN. Mr. President, I was about to ask a question of the distinguished Senator; but, instead, after I propound the question, I shall answer it myself. [Laughter.]

This money was not requested by the Budget Bureau. The President did not request it. It amounts to \$589 million, as the distinguished Senator from Massachusetts has just stated.

This item, if included, would require the Treasury to go into the open market in the fiscal year 1959, borrow the money, pay interest on it, thus add to the already swollen deficit, and then put the money into the Civil Service Retirement Fund.

Not only is that objectionable; but the language used in the provision is even more objectionable. Representatives of the workers who have a particular interest in the fund came before the committee, knowing of provision affecting the retirement fund and realizing that annuities could not be increased unless first the necessary funds were appropriated, so that the funded liability under the Retirement Act would not be added to. We have never done that before.

Today, I have already pointed out that in the first 5 or 6 years, or perhaps for a longer period than that, there was a recommendation to have \$164 million go into the fund, although, as a matter of fact, nothing was put into the fund.

Furthermore, this fund is in better shape than are the funds for the military pensions or some of the other pension funds which today are administered by the Government.

Under the circumstances, what is the justification for this item?

So, Mr. President, I hope the pending motion that the Senate recede from the position it took in the first instance, and concur in the action taken by the House of Representatives, will be rejected.

This is by all odds one of the most astounding legislative devices I have ever seen in an appropriation bill in my life, because not only would it tie the hands of the Congress, but it also is absolutely unnecessary.

Mr. MAGNUSON. Mr. President—  
The PRESIDING OFFICER. Under the unanimous-consent agreement, the Senator from Washington is recognized for 5 minutes.

Mr. MAGNUSON. Mr. President, I do not wish to labor the point. However, for the information of Senators who were not in the Chamber earlier in the afternoon, let me say that I believe all of us agree that someday, either now or later, we shall have to put the Government's share into this fund. We have not even paid the interest on the deficit.

We used to include an item for this fund in the Senate version of the bill. I used to argue this point, and used to have an item for the fund included in the Senate version of the bill; but in conference the House conferees always would reject the item.

This year the House sent to the Senate the item of \$589 million; and in the conference the House conferees insisted on the inclusion of the item.

I went along with the members of the committee, although I think the Government's share should always be paid into this fund, and I have said so on many occasions and at many hearings. I conducted lengthy hearings on this matter 2 or 3 years ago, in connection with another appropriation bill.

The House is adamant on this matter. The Senate conferees suggested that representatives of the Bureau of the Budget, the General Accounting Office, and the Civil Service Commission come before us in January and tell us just what should be done regarding this fund. But the House of Representatives has insisted on the inclusion of this item.

I do not think the language proposed is as clear as it should be; but this is

about the only way by which we can assure that the money will be put into the fund.

If this matter involved a private corporation, the fund would be exhausted and the corporation would be bankrupt.

Regardless of whether this item involves a great deal in the way of book-keeping, certainly it means a great deal psychologically to the persons concerned.

Many times I have heard it said that this fund should be maintained as a separate fund; that it should be kept solvent, and not used for something else.

I know of no other alternative if we are to have an independent offices appropriation bill than to recede from the Senate amendment. The House has passed on this question 3 times, the last time by a voice vote, and the other 2 times by a record vote. At the time the voice vote was taken, Mr. MURRAY and the ranking Republican Member spoke in favor of keeping this provision in the bill. So the House is united on it. The only way to have a bill is for the Senate to recede on its amendment.

To those Senators who were not present and do not know the parliamentary situation, I may say I have moved that the Senate recede from its amendment No. 1. A "yea" vote would be a vote to agree to the House provision. A "nay" vote would be to agree with the Senate's position, which was to strike this item from the bill.

Mr. DIRKSEN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. DIRKSEN. Obviously I have no right, and probably I would not be gracious, to try to interpret the failure on the part of the House to have a record vote when it acted after the bill went back from conference in disagreement. In other days, if I felt deeply about a matter, I always insisted on a record vote, so the position would be made clear. But it is clear the House did not have a record vote with respect to the disagreement. I think we should have a record vote. I think we should reject the motion presently before the Senate and vote "nay."

Mr. MAGNUSON. Mr. President, I yield back the remainder of my time.

Mr. DIRKSEN. I yield back my time.  
The PRESIDING OFFICER. The yeas and nays have been ordered—

Mr. JOHNSON of Texas. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Clark	Humphrey
Allott	Cooper	Ives
Anderson	Cotton	Jackson
Barrett	Curtis	Javits
Beall	Dirksen	Jenner
Bennett	Douglas	Johnson, Tex.
Bible	Dworshak	Johnston, S. C.
Bricker	Eastland	Jordan
Bridges	Ellender	Kefauver
Bush	Ervin	Kennedy
Butler	Flanders	Kerr
Byrd	Frear	Knowland
Capehart	Goldwater	Kuchel
Carlson	Green	Langer
Carroll	Hayden	Lausche
Case, N. J.	Hickenlooper	Long
Chavez	Hill	Magnuson
Church	Hruska	Malone

Mansfield  
Martin, Iowa  
Martin, Pa.  
McNamara  
Morton  
Mundt  
Murray  
Neuberger  
O'Mahoney  
Pastore

Potter  
Proxmire  
Revercomb  
Robertson  
Russell  
Saltostall  
Schoeppel  
Smathers  
Smith, Maine  
Smith, N. J.

Sparkman  
Stennis  
Symington  
Talmadge  
Thurmond  
Thye  
Wiley  
Williams  
Young

Mr. MANSFIELD. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNING], the Senator from Florida [Mr. HOLLAND], the Senator from Oregon [Mr. MORSE], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Arkansas [Mr. McCLELLAN] is absent because of a death in his family.

The Senator from Oklahoma [Mr. MONRONEY] is absent by leave of the Senate attending the 49th Congress of the Interparliamentary Union at Rio de Janeiro, Brazil.

Mr. DIRKSEN. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from West Virginia [Mr. HOBLITZELL] are absent because of official business having been appointed by the Vice President to attend the 49th Congress of the Interparliamentary Union in Rio de Janeiro.

The Senator from Maine [Mr. PAYNE] and the Senator from Utah [Mr. WATKINS] are necessarily absent.

The Senator from Connecticut [Mr. PURTELL] is absent by leave of the Senate because of death in his family.

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the motion of the Senator from Washington [Mr. MAGNUSON] that the Senate recede from its amendment No. 1. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Arkansas [Mr. FULBRIGHT], the Senator from Tennessee [Mr. GORE], the Senator from Missouri [Mr. HENNING], the Senator from Florida [Mr. HOLLAND], the Senator from Oregon [Mr. MORSE], and the Senator from Texas [Mr. YARBOROUGH] are absent on official business.

The Senator from Arkansas [Mr. McCLELLAN] is absent because of a death in his family.

The Senator from Oklahoma [Mr. MONRONEY] is absent by leave of the Senate attending the 49th Congress of the Interparliamentary Union at Rio de Janeiro, Brazil.

I further announce that if present and voting, the Senator from Missouri [Mr. HENNING], the Senator from Florida [Mr. HOLLAND], the Senator from Oklahoma [Mr. MONRONEY], the Senator from Oregon [Mr. MORSE], and the Senator from Texas [Mr. YARBOROUGH] would each vote "yea."

Mr. DIRKSEN. I announce that the Senator from South Dakota [Mr. CASE] and the Senator from West Virginia [Mr. HOBLITZELL] are absent because of official business, having been appointed by the Vice President to attend the 49th

Congress of the Interparliamentary Union in Rio de Janeiro.

The Senator from Maine [Mr. PAYNE] and the Senator from Utah [Mr. WATKINS] are necessarily absent.

The Senator from Connecticut [Mr. PURTELL] is absent by leave of the Senate because of death in his family.

If present and voting, the Senator from South Dakota [Mr. CASE], the Senator from West Virginia [Mr. HOBLITZELL], the Senator from Maine [Mr. PAYNE], and the Senator from Utah [Mr. WATKINS] would each vote "nay."

The result was announced—yeas 44, nays 39, as follows:

## YEAS—44

Anderson	Church	Ervin
Bible	Clark	Frear
Byrd	Douglas	Green
Carroll	Eastland	Hayden
Chavez	Ellender	Hill

Humphrey  
Jackson  
Johnson, Tex.  
Johnston, S. C.  
Jordan  
Kefauver  
Kennedy  
Kerr  
Langer  
Long

Alken  
Allott  
Barrett  
Beall  
Bennett  
Bricker  
Bridges  
Bush  
Butler  
Capehart  
Carlson  
Case, N. J.  
Cooper

Case, S. Dak.  
Fulbright

Magnuson  
Malone  
Mansfield  
McNamara  
Murray  
Neuberger  
O'Mahoney  
Pastore  
Proxmire  
Revercomb

## NAYS—39

Cotton  
Curtis  
Dirksen  
Dworshak  
Flanders  
Goldwater  
Hickenlooper  
Hruska  
Ives  
Javits  
Jenner  
Knowland  
Kuchel

## NOT VOTING—13

Gore  
Hennings

Robertson  
Russell  
Smathers  
Sparkman  
Stennis  
Symington  
Talmadge  
Thurmond  
Young

Lausche  
Martin, Iowa  
Martin, Pa.  
Morton  
Mundt  
Potter  
Saltonstall  
Schoeppel  
Smith, Maine  
Smith, N. J.  
Thye  
Wiley  
Williams

Hoblitzell  
Sparkland

McClellan  
Monroney  
Morse

Payne  
Purtell

Watkins  
Yarborough

So Mr. MAGNUSON's motion was agreed to.

Mr. MAGNUSON. Mr. President, I move to reconsider the vote by which the motion was agreed to.

Mr. JOHNSON of Texas. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a table showing a summary of the action on the independent offices appropriation bill for 1959.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

## SUMMARY OF ACTION ON INDEPENDENT OFFICES APPROPRIATION BILL, 1959

## TITLE I.—Independent offices

Item	Appropriations, 1958	Budget estimates, 1959	House bill	Senate bill	Conference action
<b>CIVIL SERVICE COMMISSION</b>					
Salaries and expenses.....	\$18,300,000	\$18,420,000	\$18,200,000	\$18,200,000	\$18,200,000
Investigations of United States citizens for employment by international organizations.....	491,800	383,000	350,000	350,000	350,000
Payment to civil service retirement and disability fund.....			589,000,000		589,000,000
Annuities, Panama Canal construction employees and Lighthouse Service widows.....	2,391,000	2,328,000	2,300,000	2,300,000	2,300,000
Administrative expenses, Federal employees life insurance fund.....	(123,800)	(123,800)	(123,800)	(123,800)	(123,800)
<b>Total, Civil Service Commission.....</b>	<b>21,182,800</b>	<b>21,131,000</b>	<b>609,850,000</b>	<b>20,850,000</b>	<b>609,850,000</b>
<b>FEDERAL CIVIL DEFENSE ADMINISTRATION</b>					
Operations.....	17,000,000	22,315,000	18,250,000	21,915,000	18,500,000
Emergency supplies and equipment.....	3,300,000	18,000,000	18,000,000	18,000,000	18,000,000
Research and development.....	2,000,000	4,400,000	2,000,000	3,000,000	2,000,000
Federal contributions.....	17,000,000				
<b>Total, Federal Civil Defense Administration.....</b>	<b>39,300,000</b>	<b>44,715,000</b>	<b>38,250,000</b>	<b>42,915,000</b>	<b>38,500,000</b>
<b>FUNDS APPROPRIATED TO THE PRESIDENT</b>					
Disaster relief.....	25,000,000				
<b>FEDERAL COMMUNICATIONS COMMISSION</b>					
Salaries and expenses.....	8,365,000	8,950,000	8,900,000	8,900,000	8,900,000
<b>FEDERAL POWER COMMISSION</b>					
Salaries and expenses.....	5,666,000	6,385,000	6,000,000	6,385,000	6,385,000
<b>FEDERAL TRADE COMMISSION</b>					
Salaries and expenses.....	5,950,000	6,025,000	5,950,000	6,000,000	5,975,000
<b>GENERAL ACCOUNTING OFFICE</b>					
Salaries and expenses.....	36,050,000	38,300,000	37,000,000	37,000,000	37,000,000
<b>GENERAL SERVICES ADMINISTRATION</b>					
Operating expenses, Public Buildings Service.....	132,689,000	138,500,000	133,039,000	138,089,000	136,539,000
Repair and improvement, federally owned buildings.....	65,000,000	50,000,000	75,000,000	75,000,000	75,000,000
Sites and expenses, public buildings projects.....	20,000,000	20,000,000	38,000,000	39,915,000	39,915,000
Construction, public buildings projects.....	2,125,000		177,255,000	152,810,000	152,810,000
Payments, public buildings purchase contracts.....	1,331,100	1,265,000	310,900	310,900	310,900
Construction, FOB No. 6, District of Columbia.....				14,750,000	14,000,000
Construction, United States Court of Claims and Federal Office Building, Washington, D. C.....		1,200,000		1,200,000	1,200,000
Construction, United States Mission Building, New York, N. Y.....		3,975,000		3,975,000	3,750,000
Hospital facilities in the District of Columbia.....	2,000,000				
Operating expenses, Federal Supply Service.....	3,360,000	3,615,000	3,360,000	3,560,000	3,460,000
Expenses, supply distribution.....	17,765,000	19,500,000	18,165,000	19,365,000	18,765,000
General supply fund.....	12,500,000	15,000,000		12,500,000	6,250,000
Operating expenses, National Archives and Records Service.....	7,293,000	7,650,000	7,293,000	7,615,000	7,443,000
Operating expenses, Transportation and Public Utilities Service.....	1,590,000	2,000,000	1,800,000	1,900,000	1,850,000
Strategic and critical materials.....		70,000,000	(4)	80,500,000	3,000,000
Salaries and expenses, Office of Administrator.....	260,000	200,000	200,000	200,000	200,000
Administrative operations fund (limitation).....	(10,530,000)	(11,100,000)	(10,700,000)	(11,386,000)	(11,043,000)
<b>Total, General Services Administration.....</b>	<b>265,913,100</b>	<b>332,905,000</b>	<b>454,422,900</b>	<b>551,689,900</b>	<b>464,492,900</b>
<b>HOUSING AND HOME FINANCE AGENCY</b>					
Office of the Administrator:					
Salaries and expenses.....	7,380,000	8,850,000	8,000,000	8,750,000	8,000,000
Urban planning grants.....	1,275,000	3,500,000	3,000,000	3,500,000	3,250,000
Farm housing research.....	75,000			100,000	
Reserve of planned public works (payment to revolving fund).....	5,000,000	8,500,000	7,000,000	7,000,000	7,000,000
Capital grants for slum clearance and urban renewal.....		50,000,000	50,000,000	50,000,000	50,000,000
<b>Total, Office of the Administrator.....</b>	<b>13,730,000</b>	<b>70,850,000</b>	<b>68,000,000</b>	<b>69,350,000</b>	<b>68,250,000</b>

Footnotes at end of table.

## TITLE I.—Independent offices—Continued

Item	Appropriations, 1958	Budget estimates, 1959	House bill	Senate bill	Conference action
<b>HOUSING AND HOME FINANCE AGENCY—continued</b>					
Public Housing Administration:					
Annual contributions.....	\$95,000,000	\$114,000,000	\$107,500,000	\$107,500,000	\$107,500,000
Administrative expenses.....	11,440,000	12,200,000	11,800,000	11,800,000	11,800,000
Total, Public Housing Administration.....	106,440,000	126,200,000	119,300,000	119,300,000	119,300,000
Total, Housing and Home Finance Agency.....	120,170,000	197,050,000	187,300,000	188,650,000	187,550,000
<b>INTERSTATE COMMERCE COMMISSION</b>					
Salaries and expenses.....	16,750,000	17,500,000	16,750,000	17,250,000	17,000,000
<b>NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS</b>					
Salaries and expenses.....	74,720,000	80,480,000	78,100,000	80,100,000	78,100,000
Construction and equipment.....	41,200,000	26,220,000	23,000,000	26,220,000	23,000,000
Total, National Advisory Committee for Aeronautics.....	115,920,000	106,700,000	101,100,000	106,320,000	101,100,000
<b>NATIONAL CAPITAL HOUSING AUTHORITY</b>					
Operation and maintenance of properties.....	38,000	45,500	38,000		38,000
<b>NATIONAL SCIENCE FOUNDATION</b>					
Salaries and expenses.....	49,750,000	140,000,000	115,000,000	140,000,000	130,000,000
<b>RENEGOTIATION BOARD</b>					
Salaries and expenses.....	3,000,000	2,900,000	2,850,000	2,850,000	2,850,000
<b>SECURITIES AND EXCHANGE COMMISSION</b>					
Salaries and expenses.....	6,700,000	7,100,000	6,800,000	7,100,000	7,100,000
<b>SELECTIVE SERVICE SYSTEM</b>					
Salaries and expenses.....	27,000,000	28,000,000	27,500,000	27,500,000	27,500,000
<b>VETERANS' ADMINISTRATION</b>					
General operating expenses.....	161,374,000	149,582,000	147,500,000	149,582,000	147,500,000
Medical administration and miscellaneous operating expenses.....	21,763,400	21,481,000	21,000,000	28,281,000	26,000,000
Inpatient care.....	<sup>5</sup> 710,378,000	<sup>6</sup> 708,902,000	715,465,000	717,267,000	715,465,000
Outpatient care.....	79,000,000	75,798,000	75,000,000	75,798,000	75,399,000
Maintenance and operation of supply depots.....	1,827,800	2,136,000	2,000,000	2,110,000	2,055,000
Compensation and pensions.....	3,082,250,000	3,232,000,000	3,200,000,000	3,200,000,000	3,200,000,000
Readjustment benefits.....	814,047,000	717,960,000	700,000,000	700,000,000	700,000,000
Veterans insurance and indemnities.....		51,100,000	51,100,000	51,100,000	51,100,000
Grants to the Republic of the Philippines.....	1,579,802	1,250,000	1,000,000	1,250,000	1,250,000
Construction of hospital and domiciliary facilities.....	42,500,000	9,145,000	19,145,000	19,445,000	19,295,000
Major alterations, improvements, and repairs.....	2,028,000				
Military and naval insurance.....	4,275,000				
National service life insurance.....	7,600,000				
Servicemen's indemnities.....	32,127,500				
Service-disabled veterans insurance fund.....	1,500,000				
Total, Veterans' Administration.....	4,962,250,502	4,969,354,000	4,932,210,000	4,944,833,000	4,938,064,000
Total, title I.....	5,709,005,402	5,927,060,500	6,549,920,900	6,108,242,900	6,582,304,900

<sup>1</sup> Including \$2,915,000 in S. Doc. 89 for consolidation of delegated functions.<sup>2</sup> And \$1,600,000 from proceeds of surplus personal property disposal.<sup>3</sup> And \$1,865,000 from proceeds of surplus personal property disposal.<sup>4</sup> Language.<sup>5</sup> And in addition \$6,656,000 from reimbursements.<sup>6</sup> Including \$1,802,000 in S. Doc. 91.

## TITLE II.—Corporations—Administrative expenses

[Limitations on amounts of corporate funds to be expended]

Corporation or agency	Authorizations, 1958	Budget estimates, 1959	House bill	Senate bill	Conference action
Federal Home Loan Bank Board.....	\$1,250,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
Federal Savings and Loan Insurance Corporation.....	675,000	720,000	720,000	720,000	720,000
General Services Administration:					
Abaca fiber program.....	47,000	47,000	47,000	47,000	47,000
Federal Facilities Corporation.....	50,000	50,000	25,000	40,000	25,000
Reconstruction Finance Corporation liquidation fund.....	800,000	54,000	42,500	54,000	50,000
Housing and Home Finance Agency:					
College housing loans.....	1,377,000	1,675,000	1,675,000	1,675,000	1,675,000
Public facility loans.....	400,000	1,750,000	400,000	525,000	400,000
Revolving fund (liquidating programs).....	1,100,000	673,000	600,000	600,000	600,000
Federal National Mortgage Association.....	4,750,000	4,750,000	4,750,000	4,750,000	4,750,000
Federal Housing Administration.....	7,260,000	7,400,000	7,300,000	7,300,000	7,300,000
Public Housing Administration.....	<sup>2</sup> 12,420,000	<sup>2</sup> 12,700,000	<sup>2</sup> 12,258,000	<sup>2</sup> 12,250,000	<sup>2</sup> 12,250,000
Total, administrative expenses.....	17,709,000	17,719,000	17,159,500	17,311,000	17,167,000

<sup>1</sup> Including \$200,000 in S. Doc. 94.<sup>2</sup> Includes funds available by appropriation in title I, and by transfer from the revolving fund (liquidating programs) and is not included in totals to avoid duplication.





# Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

Issued August 5, 1958

For actions of August 4, 1958

85th-2d, No. 132

OFFICE OF BUDGET AND FINANCE  
(For Department Staff Only)

## CONTENTS

Acreage allotments.....	31,32	Fruits and nuts.....	15	Radio frequencies.....	17
Administrative orders.....	30	Housing.....	5	Reclamation.....	11
Animal disease.....	33	Imports.....	9,35	Research.....	18,22
Annual leave.....	23	Information.....	38	Retirement.....	7
Appropriations.....	4	Legislative program.....	44	Saline water.....	18
Borrowing authority.....	43	Military construction.....	19	Seeds.....	49
Budgeting.....	3	Minerals.....	8,24	Statehood.....	41
Contracts.....	6	Monopolies.....	28	Tobacco.....	31
Corn meal.....	12	Peanuts.....	32	Transportation.....	14
Country life.....	40	Personnel.....	7,20,23,34,39,47	Travel expenses.....	34
Defense production.....	27	Postal rates.....	46	Water.....	29
Desert land entries.....	13	Price supports.....	21	Watersheds.....	16,42
Ethics.....	39	Property.....	48	Wheat.....	9,12
Extension service.....	25				
Fair trade.....	45				
Farm labor.....	2				
Farm program.....	1				
Fiscal policy.....	37				
Fish and wildlife.....	29				
Fisheries.....	25				
Food stamps.....	2				
Foreign trade.....	36				
Forestry.....	10,26				

HIGHLIGHTS: House debated farm bill. Final vote on bill postponed until Wed., Aug. 6. House committee reported food stamp plan bill. Rep. Taber objected to agreeing to Senate amendments to accrued expenditures budgeting bill. House received veto message on independent offices appropriation bill. House committee reported omnibus housing bill. Sen. Proxmire criticized cost of present farm program.

## HOUSE

1. FARM PROGRAM. Debated under suspension of the rules S. 4071, the farm bill. At the request of Rep. McCormack further consideration of the bill was postponed until Wed., Aug. 6, after Rep. Martin asked for a rollcall on the bill. (pp. 14698-713) The bill had been reported with amendment earlier (Aug. 2) by the Agriculture Committee (H. Rept. 2356). (p. 14768)
2. FOOD STAMP PLAN; FARM LABOR. The Agriculture Committee reported (Aug. 2) with amendment H. R. 13067, to provide for the establishment of a food-stamp plan for the distribution of \$1 billion worth of surplus food commodities a year to needy persons and families in the U. S. (H. Rept. 2358), and H. R. 10360, to continue for 2 years the authority for the Attorney General to permit the importation of aliens for agricultural employment (H. Rept. 2357). p. 14768
3. BUDGETING. Rep. Taber objected to a unanimous consent request of Rep. Fascell to concur in the Senate amendments to H. R. 8002, the accrued expenditures budgeting bill. p. 14675

House Aug. 4, 1958

4. APPROPRIATIONS. Received the President's veto message on H. R. 11574, the independent offices appropriation bill for 1959 (H. Doc. 429). The message was referred to the Appropriations Committee. p. 14675
5. HOUSING. The Banking and Currency Committee reported with amendment S. 4035, the omnibus housing bill (H. Rept. 2359). p. 14768
6. CONTRACTS. The Ways and Means Committee was granted permission until midnight Aug 5, to file a report on H. R. 11749, to extend the Renegotiation Act of 1951 for 2 years. p. 14674
7. PERSONNEL. Concurred in the Senate amendment to H. R. 4640, to amend the Civil Service Retirement Act to permit persons transferring to non-Act positions to retain voluntary contribution accounts. This bill will now be sent to the President. p. 14675
8. MINERAL CLAIMS. Passed with amendment S. 3199, to specify the period for doing annual assessment work on unpatented mineral claims and suspending such work for the year ending July 1, 1958. p. 14682  
The Interior and Insular Affairs Committee ordered reported with amendment S. 2039, to clarify the requirements with respect to the performance of labor imposed as a condition for the holding of mining claims on Federal lands pending the issuance of patents therefor. p. D789
9. WHEAT IMPORTS. Passed without amendment H. R. 11581, to increase the import duty on wheat for seeding purposes which has been treated with poisonous substances and is unfit for human consumption. p. 14687
10. FORESTRY. Passed with amendment H. R. 12494, to authorize the Secretary in selling certain lands in N. C. to permit the State to sell or exchange such lands for private purposes. p. 14687  
Passed without amendment S. 479, to grant a 50-year right-of-way for a water pipeline across the Lincoln National Forest. This bill will now be sent to the President. pp. 14687-88  
Passed without amendment S. 1245, to provide a right-of-way to the city of Alamogordo, N. Mex., across the Lincoln National Forest. This bill will now be sent to the President. p. 14688  
Passed without amendment S. 3439, to reconvey to Salt Lake City the Forest Service Fire Warehouse lot in that city. This bill will now be sent to the President. pp. 14688-89  
Passed without amendment H. R. 8481, to extend the forestry provisions of the Agricultural Act of 1956 to Hawaii. p. 14689  
Passed without amendment S. 3248 to authorize the Secretary to exchange lands comprising the Pleasant Grove Administrative Site, Uinta National Forest, Utah, with a Pleasant Grove church. p. 14689  
Passed as reported S. 1748, to add certain lands in Ida. and Wyo. to the Caribou and Targhee National Forests. p. 14692  
The Interior and Insular Affairs Committee ordered reported without amendment H. 12242, to authorize the sale or exchange of certain Forest Service lands in Pima County, Ariz. p. D789
11. RECLAMATION. Passed with amendment S. 4002, to authorize the Gray Dam and Reservoir as a part of the Glendo Unit of the Missouri River Basin project. pp. 14685-86  
The Interior and Insular Affairs Committee reported without amendment H. Con. Res. 301, to approve the report of the Dept. of Interior on Red Willow Dam and Reservoir, Nebr. (H. Rept. 2425). pp. 14768-69

# PROVIDING FOR IMPROVED METHODS OF STATING BUDGET ESTIMATES AND ESTIMATES FOR DEFICIENCY AND SUPPLEMENTAL APPROPRIATIONS

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8002) to provide for improved methods of stating budget estimates and estimates for deficiency and supplemental appropriations, with amendments of the Senate thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 2, after "expenditures," insert "The President may include in the budget with any such proposed limitation on annual accrued expenditures, proposals for provisions authorizing the head of a department or establishment to make transfers, within his department or establishment, between such limitations on annual accrued expenditures; and such provisions may limit by amount or by per centum the size of any transfer so proposed."

Page 2, line 11, after "lapse," insert "except that whenever any liabilities are incurred within the limitation provided for in any fiscal year (whether or not recorded or reported in such fiscal year), nothing in this section shall be construed to prevent the making of payment therefor in any subsequent fiscal year."

Page 2, strike out lines 12 to 17, inclusive.

Page 2, line 18, strike out "(f)" and insert "(e)."

Page 3, line 1, strike out "(g)" and insert "(f)."

Page 3, line 1, strike out "(f)" and insert "(e)."

Page 3, lines 10 and 11, strike out "provisions pertaining to the availability of any appropriations or funds previously made available" and insert "to include in any such bill or joint resolution provisions authorizing the head of a department or establishment to make transfers, within his department or establishment, between such limitations on annual accrued expenditures; and such provisions may limit by amount or by per centum the size of any transfer so provided for."

The SPEAKER. Is there objection to the request of the gentleman from Florida?

Mr. TABER. Mr. Speaker, I regard this as one of the most dangerous bills that has ever been proposed to the Congress, and I feel obliged to object and I do object.

The SPEAKER. Objection is heard.

## INDEPENDENT OFFICES APPROPRIATION BILL—VETO MESSAGE FROM THE PRESIDENT (H. DOC. NO. 429)

The SPEAKER laid before the House the following veto message from the President of the United States, which was read by the Clerk:

To the House of Representatives:

I return herewith, without my approval, H. R. 11574, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

This is a major appropriation measure, providing funds for operation of many important agencies, and I withhold my approval most reluctantly. I do so, however, because of my strong conviction that Congress should reconsider its action appropriating over half a billion dollars not presently needed in the civil service retirement and disability fund.

There is no sound justification whatever for adding unnecessarily over half a billion dollars to a deficit which may reach \$12 billion this fiscal year.

If this appropriation had been required to meet a current obligation of the Government, I would have requested it. However, \$8 billion is now on hand in the fund. Receipts of the fund will exceed outgo during the current year and for years to come. As provided by the civil service retirement law, the departments and agencies of the Government this year will make direct payments of \$645 million to the fund. This amount, matched by employee contributions, plus interest collected on the fund's balance, will provide total receipts of over \$1.5 billion to the fund in 1959. On the other hand, payments of claims and refunds this year will total less than \$800 million.

It is true that this favorable balance in the fund will not continue indefinitely. However, while there may be compelling reasons for full funding of private pension plans to insure employees that they will receive earned benefits even though the employer goes out of business, no such eventuality faces the employees of the Federal Government. The Retirement Act promises to make certain payments under specified conditions, and regardless of the size of the balance in the retirement fund at any particular time, these benefits will be paid because the promise to do so is backed by the Government. To assume otherwise is to call into question the full faith and credit of the United States Government.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, August 4, 1958.

The SPEAKER. The objection of the President will be spread at large upon the Journal.

Mr. THOMAS. Mr. Speaker, I move that the message and the bill be referred to the Committee on Appropriations and ordered printed.

The motion was agreed to.

## AMENDING CIVIL SERVICE RETIREMENT ACT

Mr. MURRAY. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 4640) to amend the Civil Service Retirement Act with respect to payments from voluntary contributions accounts, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment as follows:

Page 1, line 6, strike out all after "provided" down to and including "of" in line 9, and insert "application for payment is filed with the Commission prior to receipt of any."

Mr. MARTIN. Mr. Speaker, reserving the right to object, will the gentleman explain the amendment?

Mr. MURRAY. The Senate amendment is merely a clarifying amendment. It in no way affects the substance of the bill.

Mr. MARTIN. It does not change the bill in the slightest?

Mr. MURRAY. Not at all.

Mr. MARTIN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

## THE CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

## INTERNATIONAL COUNCIL OF SCIENTIFIC UNIONS

The Clerk called the resolution (S. J. Res. 85) to amend the act of Congress approved August 7, 1935 (Public Law 253), concerning United States contributions to the International Council of Scientific Unions and certain associated unions.

There being no objection the Clerk read the resolution as follows:

Resolved, etc., That Public Law 253, 74th Congress, is hereby amended by striking out the figure "\$9,000" in the section dealing with the International Council of Scientific Unions and inserting in lieu thereof the figure "\$65,000."

(Mr. O'HARA of Illinois asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. O'HARA of Illinois. Mr. Speaker, this is identical to House Joint Resolution 399, which I introduced at the request of Dr. Saunders MacLane, of the University of Chicago, who is the chairman of the United States National Committee for Mathematics for the International Mathematical Union. When Senate Joint Resolution 85 came before the Committee on Foreign Affairs, having already been adopted by the other body, it was my suggestion that it be substituted for House Joint Resolution 399 and reported out that there might be no delay in the enactment of vitally important legislation. Never have we purchased so much for so little money as what is contemplated in this resolution.

The purpose of this resolution is to increase the authorization ceiling for United States contributions to 13 small and highly specialized scientific organizations to which the United States belongs. The organizations are International Union of Pure and Applied Physics, International Astronomical Union, International Union of Pure and Applied Chemistry, International Union of Geodesy and Geophysics, International Geographical Union, International Union of Biological Sciences, Interna-

tional Union of Crystallography, International Union of Theoretical and Applied Mechanics, International Mathematical Union, International Union of Physiological Sciences, International Union of Biochemistry, International Scientific Radio Union, International Union of the History of Science.

There are also 42 member nations in the Council itself, including all the countries of Western Europe, the U. S. S. R., Czechoslovakia, and Poland.

The functions of the International Council of Scientific Unions and its unions include the following: First, arranging for regularly scheduled international conferences and symposiums; second, distributing useful abstracts of foreign scientific and technical journals through the ICSU Abstracting Board; third, serving as a clearinghouse for scientific information, regularly published reports of proceedings of meetings, special reports of particular investigations, and monthly information bulletins; fourth, maintaining permanent services such as the International Time Bureau, the International Service for the Study of Floods, and the International Service of Geomagnetic Indices.

The budgets of the 13 scientific organizations that carry on such a tremendously important work are small and they are concerned strictly with the scientific problems. The money is used exclusively to pay our dues as members of these organizations. The organizations, in turn, use the funds to pay their administrative expenses. None of the funds provided in this authorization is used to pay the expenses of sending representatives of the United States to meetings or to finance research.

The current authorization, which has been in effect since 1935, sets a ceiling of \$9,000 per year on our contribution. This is too low and the resolution authorizes an increase to \$55,000 per year. Actually the United States contribution has been larger than the \$9,000 authorized for the last several years. The difference between what was authorized and the United States assessment for dues has been made up by contributions from private sources through the National Academy of Sciences-National Research Council. The amount has become so large, however, that this organization no longer can stand the burden.

In calendar year 1956 the actual assessment against the United States was \$14,509.60; in calendar year 1957 the amount was \$26,000; and in calendar year 1958 it will be \$33,000. The United States assessment for ICSU at the present rate is 18 percent of its budget. At the previous rate it was 11.5 percent. This percentage is lower than our percentage contribution to the United Nations and to most of its specialized agencies.

The fiscal year 1959 assessments against the United States, which of course could not be met except for the authority of Senate Joint Resolution 85, follow:

International Council of Scientific Unions	\$7,800
International Astronomical Union	2,939
International Union of Geodesy and Geophysics	8,400

International Scientific Radio Union	\$4,000
International Union of Pure and Applied Chemistry	1,930
International Geographical Union	1,500
International Union of Pure and Applied Physics	1,680
International Union of Biological Sciences	2,300
International Union of Crystallography	840
International Mathematical Union	522
International Biochemistry Union	200
International History and Philosophy of Science Union	400
International Applied Mechanics Union	250
International Physiology Union	225
	32,986

An authorization ceiling of \$65,000 per year is provided in the joint resolution to allow for anticipated increases in assessments to be made in future years. According to present estimates, the assessment for calendar year 1960 will be \$40,000 and by calendar year 1965 the amount will be \$65,000. In the judgment of the Committee on Foreign Affairs annual review of this authorization is unnecessary since this item will continue to be carefully examined each year by the Committee on Appropriations.

It is essential that the United States be able to pay its dues as a member of these international organizations. It would make a very bad impression for us to be in default. Any organization that is to operate effectively must have the right to determine the contributions to be assessed against its members to finance its operation. If each member is permitted to say "we will determine each year unilaterally how much we are willing to contribute," no organization could function. The amount involved is very small and the benefit we will derive from this expenditure far exceeds the amount of money involved. It is most important that we maintain our membership in good standing in these scientific organizations. I urge that the resolution be passed.

The resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### NATIONAL FOREST PAYMENTS

The Clerk called the bill (H. R. 12702) to amend the provisions of law codified as section 500, title 16, United States Code.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MILLS, Mr. GATHINGS, Mr. TRIMBLE, and Mrs. GREEN of Oregon objected.

#### MORE FLEXIBILITY IN APPOINTMENT OF CADETS

The Clerk called the bill (H. R. 13226) to amend title 10, United States Code, to provide more flexibility in making additional appointments to bring the number of cadets at the United States Military Academy and the United States Air Force Academy up to full strength.

Mr. BROOKS of Louisiana. Mr. Speaker, we have applied for a rule on this bill. For this reason I ask unani-

mous consent that the bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

#### LONGEVITY CREDIT FOR CANAL ZONE SERVICE

The Clerk called the bill (H. R. 13404) to amend section 404 (c) (1) of the Postal Field Service Compensation Act of 1955 to grant longevity credit for service performed in the Panama Canal Zone postal service.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That section 404 (c) (1) of the Postal Field Service Compensation Act of 1955, as amended (69 Stat. 123, 72 Stat. 151; 39 U. S. C. 984 (c) (1)), is amended—

(1) by striking out the word "and" immediately following the semicolon at the end of subparagraph (D) thereof;

(2) by striking out the period at the end of subparagraph (E) thereof and inserting in lieu of such period a semicolon and the word "and"; and

(3) by adding at the end of such section 404 (c) (1) the following new subparagraph: "(F) all time on the rolls in the Panama Canal Zone postal service."

SEC. 2. No payment of longevity compensation shall be made, by reason of the amendments made by the first section of this act, for any period prior to the first day of the first pay period which begins after the date of enactment of this act.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### SURVEY OF COOSAWHATCHIE AND BROAD RIVERS, S. C.

The Clerk called the bill (S. 3833) to provide for a survey of the Coosawhatchie and Broad Rivers in South Carolina, upstream to the vicinity of Dawson Landing.

There being no objection, the Clerk read the bill, as follows:

*Be it enacted, etc.,* That the Secretary of the Army is hereby authorized and directed to cause a survey in the interest of navigation, to be made under the direction of the Chief of Engineers, of the Coosawhatchie and the Broad Rivers in South Carolina, upstream to the vicinity of Dawson Landing, subject to all applicable provisions of section 110 of the River and Harbor Act of 1950.

SEC. 2. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this act.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

#### BRIDGE AT ROCK ISLAND, ILL.

The Clerk called the bill (H. R. 11248) establishing the time for commencement and completion of the reconstruction, enlargement, and extension of the bridge across the Mississippi River at or near Rock Island, Ill.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

INDEPENDENT OFFICES APPROPRIATIONS BILL, 1959

---

M E S S A G E

FROM

THE PRESIDENT OF THE UNITED STATES

RETURNING

WITHOUT APPROVAL THE BILL (H. R. 11574) MAKING APPROPRIATIONS FOR SUNDRY INDEPENDENT EXECUTIVE BUREAUS, BOARDS, COMMISSIONS, CORPORATIONS, AGENCIES, AND OFFICES, FOR THE FISCAL YEAR ENDING JUNE 30, 1959, AND FOR OTHER PURPOSES

---

AUGUST 4, 1958.—Referred to the Committee on Appropriations and ordered to be printed

---

*To the House of Representatives:*

I return herewith, without my approval, H. R. 11574, making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes.

This is a major appropriation measure, providing funds for operation of many important agencies, and I withhold my approval most reluctantly. I do so, however, because of my strong conviction that Congress should reconsider its action appropriating over half a billion dollars not presently needed in the civil-service retirement and disability fund.

There is no sound justification whatever for adding unnecessarily over half a billion dollars to a deficit which may reach \$12 billion this fiscal year.

If this appropriation had been required to meet a current obligation of the Government, I would have requested it. However, \$8 billion is now on hand in the fund. Receipts of the fund will exceed outgo during the current year and for years to come. As provided by the civil-service retirement law, the departments and agencies of the

Government this year will make direct payments of \$645 million to the fund. This amount, matched by employee contributions, plus interest collected on the fund's balance, will provide total receipts of over \$1.5 billion to the fund in 1959. On the other hand, payments of claims and refunds this year will total less than \$800 million.

It is true that this favorable balance in the fund will not continue indefinitely. However, while there may be compelling reasons for full funding of private pension plans to insure employees that they will receive earned benefits even though the employer goes out of business, no such eventuality faces the employees of the Federal Government. The Retirement Act promises to make certain payments under specified conditions and, regardless of the size of the balance in the retirement fund at any particular time, these benefits will be paid because the promise to do so is backed by the Government. To assume otherwise is to call into question the full faith and credit of the United States Government.

DWIGHT D. EISENHOWER.

THE WHITE HOUSE, *August 4, 1958.*

H. R. 11574

EIGHTY-FIFTH CONGRESS OF THE UNITED STATES OF AMERICA, AT THE SECOND SESSION, BEGUN AND HELD AT THE CITY OF WASHINGTON ON TUESDAY, THE SEVENTH DAY OF JANUARY, ONE THOUSAND NINE HUNDRED AND FIFTY-EIGHT

AN ACT Making appropriations for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1959, namely:

## TITLE I—INDEPENDENT OFFICES

### CIVIL SERVICE COMMISSION

#### SALARIES AND EXPENSES

For necessary expenses, including not to exceed \$22,000 for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed \$10,000 for medical examinations performed for veterans by private physicians on a fee basis; not to exceed \$100 for the purchase of newspapers and periodicals (excluding scientific, technical, trade or traffic periodicals, for official use); payment in advance for library membership in societies whose publications are available to members only or to members at a price lower than to the general public; not to exceed \$70,000 for performing the duties imposed upon the Commission by the Act of July 19, 1940 (54 Stat. 767); reimbursement of the General Services Administration for security guard services for protection of confidential files; not to exceed \$472,000 for expenses of travel; and not to exceed \$5,000 for actuarial services by contract, without regard to section 3709, Revised Statutes, as amended; \$18,200,000.

No part of the appropriations herein made to the Civil Service Commission shall be available for the salaries and expenses of the Legal Examining Unit in the Examining and Personnel Utilization Division of the Commission, established pursuant to Executive Order 9358 of July 1, 1943.

#### INVESTIGATION OF UNITED STATES CITIZENS FOR EMPLOYMENT BY INTERNATIONAL ORGANIZATIONS

For expenses necessary to carry out the provisions of Executive Order No. 10422 of January 9, 1953, as amended, prescribing procedures for making available to the Secretary General of the United Nations, and the executive heads of other international organizations, certain information concerning United States citizens employed, or being considered for employment by such organizations, including

services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), \$350,000: *Provided*, That this appropriation shall be available for advances or reimbursements to the applicable appropriations or funds of the Civil Service Commission and the Federal Bureau of Investigation for expenses incurred by such agencies under said Executive order: *Provided further*, That members of the International Organizations Employees Loyalty Board may be paid actual transportation expenses, and per diem in lieu of subsistence authorized by the Travel Expense Act of 1949, as amended, while traveling on official business away from their homes or regular places of business, including periods while en route to and from and at the place where their services are to be performed: *Provided further*, That nothing in sections 281 or 283 of title 18, United States Code, or in section 190 of the Revised Statutes (5 U. S. C. 99) shall be deemed to apply to any person because of appointment for part-time or intermittent service as a member of the International Organizations Employees Loyalty Board in the Civil Service Commission as established by Executive Order 10422, dated January 9, 1953, as amended.

#### PAYMENT TO CIVIL SERVICE RETIREMENT AND DISABILITY FUND

For financing the liability of the United States, created by the Act approved May 22, 1920, and Acts amendatory thereof (5 U. S. C., ch. 30), \$589,000,000, which amount shall be placed to the credit of the civil-service retirement and disability fund: *Provided*, That no part of the appropriations herein made and no part of the moneys now or hereafter contained in the civil-service retirement and disability fund shall be applied toward the payment of any increase in annuity benefits or any new annuity benefits under the Act approved May 22, 1920, and Acts amendatory thereof (5 U. S. C., ch. 30) which may be authorized by amendment to said Acts after the enactment of this Act until and unless an appropriation is made to such fund in an amount estimated by the Civil Service Commission to be sufficient to prevent an immediate increase in the unfunded accrued liability of said fund.

#### ANNUITIES, PANAMA CANAL CONSTRUCTION EMPLOYEES AND LIGHTHOUSE SERVICE WIDOWS

For payment of annuities authorized by the Act of May 29, 1944, as amended (48 U. S. C. 1373a), and the Act of August 19, 1950 (64 Stat. 465), \$2,300,000.

#### LIMITATION ON ADMINISTRATIVE EXPENSES, EMPLOYEES' LIFE INSURANCE FUND

Not to exceed \$123,800 of the funds in the "Employees' Life Insurance Fund" shall be available for reimbursement to the Civil Service Commission for administrative expenses incurred by the Commission during the current fiscal year in the administration of the Federal Employees' Group Life Insurance Act.

### FEDERAL CIVIL DEFENSE ADMINISTRATION

#### OPERATIONS

For necessary expenses, not otherwise provided for, in carrying out the provisions of the Federal Civil Defense Act of 1950, as amended (50 U. S. C., App. 2251-2297), including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); reimbursement of the Civil Service Commission for full field investigations of employees occupying positions of critical importance from the standpoint of national security; expenses of attendance at meetings concerned with civil defense functions; reimbursement of the General Services Administration for security guard services; not to exceed \$8,000 for the purchase of newspapers, periodicals, and teletype news services; not to exceed \$932,500 for expenses of travel; and not to exceed \$6,000 for emergency and extraordinary expenses to be expended under the direction of the Administrator for such purposes as he deems proper, and his determination thereon shall be final and conclusive; \$18,500,000: *Provided*, That \$500,000 of the foregoing amount shall be available to discharge civil defense responsibilities delegated to other Federal agencies under the authority of section 201 (b) of the Federal Civil Defense Act of 1950, as amended.

#### EMERGENCY SUPPLIES AND EQUIPMENT

For expenses necessary for warehousing and maintenance of emergency civil defense materials as authorized by subsection (h) of section 201 of the Federal Civil Defense Act of 1950, as amended, \$18,000,000.

## RESEARCH AND DEVELOPMENT

For expenses, not otherwise provided for, necessary for studies and research to develop measures and plans for evacuation, shelter, and the protection of life and property, as authorized by section 201 (d) of the Federal Civil Defense Act of 1950, as amended, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), \$2,000,000, to remain available until expended.

No part of any appropriation in this Act shall be available for the construction of warehouses or for the lease of warehouse space in any building which is to be constructed specifically for the use of the Federal Civil Defense Administration.

## FEDERAL COMMUNICATIONS COMMISSION

## SALARIES AND EXPENSES

For necessary expenses in performing the duties of the Commission as authorized by law, including newspapers (not to exceed \$200), land and structures (not to exceed \$120,000), special counsel fees, improvement and care of grounds and repairs to buildings (not to exceed \$15,400), services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), purchase of not to exceed three passenger motor vehicles for replacement only, and not to exceed \$107,470 for expenses of travel, \$8,900,000.

## FEDERAL POWER COMMISSION

## SALARIES AND EXPENSES

For expenses necessary for the work of the Commission, as authorized by law, including not to exceed \$375,000 for expenses of travel; hire of passenger motor vehicles; and not to exceed \$500 for newspapers; \$6,385,000, of which not to exceed \$10,000 shall be available for special counsel and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), but at rates not exceeding \$50 per diem for individuals: *Provided*, That not to exceed \$321,400 shall be available for investigations relating to Federal river development projects.

## FEDERAL TRADE COMMISSION

## SALARIES AND EXPENSES

For necessary expenses of the Federal Trade Commission, including uniforms or allowances therefor, as authorized by law (5 U. S. C. 2131), not to exceed \$700 for newspapers, services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), and not to exceed \$255,250 for expenses of travel, \$5,975,000: *Provided*, That no part of the foregoing appropriation shall be expended upon any investigation hereafter provided by concurrent resolution of the Congress until funds are appropriated subsequently to the enactment of such resolution to finance the cost of such investigation.

## GENERAL ACCOUNTING OFFICE

## SALARIES AND EXPENSES

For necessary expenses of the General Accounting Office, including newspapers and periodicals (not exceeding \$500); rental or lease of office space in foreign countries without regard to the provisions of section 3648 of the Revised Statutes, as amended (31 U. S. C. 529); not to exceed \$2,000,000 for expenses of travel; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); \$37,000,000.

## GENERAL SERVICES ADMINISTRATION

## OPERATING EXPENSES, PUBLIC BUILDINGS SERVICE

For necessary expenses of real property management and related activities as provided by law; furnishings and equipment; rental of buildings in the District of Columbia; restoration of leased premises; moving Government agencies (including space adjustments) in connection with the assignment, allocation, and transfer of building space; acquisition by purchase or otherwise and disposal by sale of otherwise of real estate and interests therein; payments in lieu of taxes pursuant to the Act of August 12, 1955 (40 U. S. C. 521); and not to exceed \$247,000 for expenses of travel; \$136,539,000: *Provided*, That this appropriation shall be

available, without regard to section 322 of the Act of June 30, 1932, as amended (40 U. S. C. 278a), with respect to buildings or parts thereof, heretofore leased under the appropriation for "Emergency operating expenses".

#### REPAIR AND IMPROVEMENT, FEDERALLY OWNED BUILDINGS

For expenses necessary for the repair, alteration, preservation, renovation, improvement, extension, equipment, and demolition of federally owned buildings and buildings occupied pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U. S. C. 356), not otherwise provided for, including grounds, approaches and appurtenances, wharves and piers, together with the necessary dredging adjacent thereto; acquisition of land as authorized by title III of the Act of June 16, 1949 (40 U. S. C. 297); not to exceed \$300,000 for expenses of travel; and care and safeguarding of sites acquired for Federal buildings; \$75,000,000, to remain available until expended.

#### SITES AND EXPENSES, PUBLIC BUILDINGS PROJECTS

For expenses necessary in connection with construction of approved public buildings projects not otherwise provided for, including preparation of drawings and specifications, by contract or otherwise; acquisition of sites, including soil investigations and tests; not to exceed \$200,000 for expenses of travel, administrative expenses; and for preliminary planning of public buildings projects; \$39,915,000, to remain available until expended, and not to exceed \$500,000 of this amount shall be available for construction of small public buildings projects outside the District of Columbia pursuant to the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341): *Provided*, That any unexpended balances of funds heretofore appropriated to the General Services Administration for sites and expenses or sites and planning shall be available for the purposes hereinabove set forth and may be consolidated with this appropriation: *Provided further*, That not to exceed \$100,000 of such funds may be deposited to the Administrative Operations Fund in addition to the amount included in the budget estimates for that purpose.

#### CONSTRUCTION, PUBLIC BUILDINGS PROJECTS

For construction of public buildings projects outside the District of Columbia pursuant to the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341), \$152,810,000, to remain available until expended, of which amount not to exceed \$700,000 shall be available for site and construction costs for the project at Milledgeville, Georgia.

#### PAYMENTS, PUBLIC BUILDINGS PURCHASE CONTRACTS

For payments of principal, interest, taxes, and any other obligations under contracts entered into pursuant to the Public Buildings Purchase Contract Act of 1954 (40 U. S. C. 356), \$310,900: *Provided*, That hereafter, except for projects located at Atlanta, Georgia; Rock Island, Illinois; Council Bluffs, Iowa; Kansas City, Kansas; Burlington, Iowa; Albuquerque, New Mexico; Sacramento, California; Brunswick, Georgia; Sedan, Kansas; Jonesboro, Louisiana; Lake Charles, Louisiana; Redwood Falls, Minnesota; Biloxi, Mississippi; Greenville, Mississippi; Laurel, Mississippi; Omaha, Nebraska; Durham, New Hampshire; Manning, South Carolina; Sisseton, South Dakota; Kingsport, Tennessee; Gainesville, Texas; McKinney, Texas; Huntington, West Virginia; Green Bay, Wisconsin; Marshfield, Missouri; Terrell, Texas; Mount Hope, West Virginia; Benton, Illinois; Burlington, Vermont; St. Marys, Ohio; West Memphis, Arkansas; Newkirk, Oklahoma; Point Pleasant, New Jersey; and Denver, Colorado; no part of any funds in this or any other Act shall be used for payment for sites, planning or construction of any buildings by lease-purchase contracts: *Provided further*, That the Administrator of General Services may enter into a 10-year contract for the project at Sacramento, California, during the fiscal year 1959, for which the annual payment for amortization of principal and interest thereon shall not exceed \$1,250,600.

#### CONSTRUCTION, FEDERAL OFFICE BUILDING NUMBERED SIX, WASHINGTON, DISTRICT OF COLUMBIA

For construction of Federal Office Building Numbered Six in Washington, District of Columbia, pursuant to the provisions of the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341), \$14,000,000, to remain available until expended.

CONSTRUCTION, UNITED STATES COURT OF CLAIMS AND FEDERAL OFFICE BUILDING,  
WASHINGTON, DISTRICT OF COLUMBIA

For expenses necessary for preparation of plans and specifications for a building in Washington, District of Columbia, for use of the United States Court of Claims, and agencies of the executive branch of the Government, pursuant to the provisions of the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341), \$1,200,000, to remain available until expended.

CONSTRUCTION, UNITED STATES MISSION BUILDING, NEW YORK, NEW YORK

For construction of a building in New York, New York, for use as the headquarters of the United States Mission to the United Nations, pursuant to the provisions of the Public Buildings Act of May 25, 1926, as amended (40 U. S. C. 341), \$3,750,000, to remain available until expended.

OPERATING EXPENSES, FEDERAL SUPPLY SERVICE

For necessary expenses of personal property management and related activities as authorized by law and not otherwise provided for; including not to exceed \$300 for the purchase of newspapers and periodicals; and not to exceed \$85,700 for expenses of travel; \$3,460,000: *Provided*, That not to exceed \$1,865,000 of any funds received during the current or preceding fiscal year for deposit under section 204 (a) of the Federal Property and Administrative Services Act of 1949, as amended, and not otherwise disposed of by law, shall be deposited to the credit of this appropriation and shall be available for necessary expenses in carrying out the functions of the General Services Administration under the said Act, with respect to the utilization and disposal of excess and surplus personal property, including not to exceed \$145,000 for expenses for travel.

EXPENSES, SUPPLY DISTRIBUTION

For expenses, not otherwise provided, necessary for operation of the stores depot system and other procurement services, including contractual services incident to receiving, handling, and shipping warehouse items; not to exceed \$250 for purchase of newspapers and periodicals; and not to exceed \$132,500 for expenses of travel; \$18,765,000.

GENERAL SUPPLY FUND

To increase the general supply fund established by the Federal Property and Administrative Services Act of 1949, as amended (5 U. S. C. 630g), \$6,250,000.

OPERATING EXPENSES, NATIONAL ARCHIVES AND RECORDS SERVICE

For necessary expenses in connection with Federal records management and related activities as provided by law; and not to exceed \$54,500 for expenses of travel; \$7,443,000.

OPERATING EXPENSES, TRANSPORTATION AND PUBLIC UTILITIES SERVICE

For necessary expenses of transportation and public utilities management and related activities, as provided by law, including not to exceed \$62,750 for expenses of travel; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$75 per diem for individuals; \$1,850,000.

STRATEGIC AND CRITICAL MATERIALS

For necessary expenses in carrying out the provisions of the Strategic and Critical Materials Stock Piling Act of July 23, 1946, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), not to exceed \$3,362,000 for operating expenses, not to exceed \$96,000 for expenses of travel, and necessary expenses for transportation and handling, within the United States (including charges at United States ports), storage, security, and maintenance of strategic and critical materials acquired for or transferred to the supplemental stockpile established pursuant to section 104 (b) of the Agricultural Trade Development and Assistance Act of 1954 (7 U. S. C. 1704 (b)) \$3,000,000, to remain available until expended: *Provided*, That any funds received as proceeds from sale or other disposition of materials on account of the rotation of stocks under

said Act shall be deposited to the credit, and be available for expenditure for the purposes, of this appropriation: *Provided further*, That during the current fiscal year, there shall be no limitation on the value of surplus strategic and critical materials which, in accordance with subsection 6 (a) of the Act of July 23, 1946 (50 U. S. C. 98e (a)), may be transferred to stockpiles established in accordance with said Act: *Provided further*, That no part of funds available shall be used for construction of warehouses or tank storage facilities.

#### SALARIES AND EXPENSES, OFFICE OF ADMINISTRATOR

For expenses of executive direction for activities under the control of the General Services Administration, including not to exceed \$7,000 for expenses of travel, and not to exceed \$250 for purchase of newspapers and periodicals; \$200,000.

#### ADMINISTRATIVE OPERATIONS FUND

Funds available to General Services Administration for administrative operations, in support of program activities, shall be expended and accounted for, as a whole, through a single fund, which is hereby authorized: *Provided*, That costs and obligations for such administrative operations for the respective program activities shall be accounted for in accordance with systems approved by the General Accounting Office: *Provided further*, That the total amount deposited into said account for the fiscal year 1959 from funds made available to General Services Administration in this Act shall not exceed \$11,043,000, of which not to exceed \$184,000 may be used for travel expenses: *Provided further*, That amounts deposited into said account for administrative operations for each program shall not exceed the amounts included in the respective program appropriations for such purposes.

The appropriate appropriation or fund available to the General Services Administration shall be credited with (1) cost of operation, protection, maintenance, upkeep, repair, and improvement, included as part of rentals received from Government corporations pursuant to law (40 U. S. C. 129); (2) reimbursements for services performed in respect to bonds and other obligations under the jurisdiction of the General Services Administration, issued by public authorities, States, or other public bodies, and such services in respect to such bonds or obligations as the Administrator deems necessary and in the public interest may, upon the request and at the expense of the issuing agencies, be provided from the appropriate foregoing appropriation; and (3) appropriations or funds available to other agencies, and transferred to the General Services Administration, in connection with property transferred to the General Services Administration pursuant to the Act of July 2, 1948 (50 U. S. C. 451ff), and such appropriations or funds may, with the approval of the Bureau of the Budget, be so transferred.

Funds available to the General Services Administration shall be available for the hire of passenger motor vehicles.

No part of any money appropriated by this or any other Act for any agency of the executive branch of the Government shall be used during the current fiscal year for the purchase within the continental limits of the United States of any typewriting machines except in accordance with regulations issued pursuant to the provisions of the Federal Property and Administrative Services Act, of 1949, as amended.

Not to exceed 2 per centum of any appropriation made available to the General Services Administration for the current fiscal year by this Act may be transferred to any other such appropriation, but no such appropriation shall be thereby increased more than 2 per centum: *Provided*, That such transfers shall apply only to operating expenses, and shall not exceed in the aggregate the amount of \$2,000,000.

#### HOUSING AND HOME FINANCE AGENCY

##### OFFICE OF THE ADMINISTRATOR

##### SALARIES AND EXPENSES

For necessary expenses of the Office of the Administrator, including rent in the District of Columbia; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); not to exceed \$425,000 for expenses of travel; and expenses of attendance at meetings of organizations concerned with the work of the Agency; \$8,000,000: *Provided*, That necessary expenses of inspections and of providing representatives at the site of projects being planned or undertaken

by local public agencies pursuant to title I of the Housing Act of 1949, as amended, projects financed through loans to educational institutions authorized by title IV of the Housing Act of 1950, as amended, and projects and facilities financed by loans to public agencies pursuant to title II of the Housing Amendments of 1955, as amended, shall be compensated by such agencies or institutions by the payment of fixed fees which in the aggregate will cover the costs of rendering such services, and expenses for such purpose shall be considered nonadministrative; and for the purpose of providing such inspections, the Administrator may utilize any agency and such agency may accept reimbursement or payment for such services from such institutions, or the Administrator, and shall credit such amounts to the appropriations or funds against which such charges have been made, but such nonadministrative expenses shall not exceed \$2,500,000.

#### URBAN PLANNING GRANTS

For grants in accordance with the provisions of section 701 of the Housing Act of 1954, as amended, \$3,250,000.

#### RESERVE OF PLANNED PUBLIC WORKS (PAYMENT TO REVOLVING FUND)

For payment to the revolving fund established pursuant to section 702 of the Housing Act of 1954, as amended (40 U. S. C. 462), \$7,000,000.

#### CAPITAL GRANTS FOR SLUM CLEARANCE AND URBAN RENEWAL

For an additional amount for payment of capital grants as authorized by title I of the Housing Act of 1949, as amended (42 U. S. C. 1453, 1456), \$50,000,000.

#### PUBLIC HOUSING ADMINISTRATION

##### ANNUAL CONTRIBUTIONS

For the payment of annual contributions to public housing agencies in accordance with section 10 of the United States Housing Act of 1937, as amended (42 U. S. C. 1410), \$107,500,000.

##### ADMINISTRATIVE EXPENSES

For administrative expenses of the Public Housing Administration, \$11,800,000, to be expended under the authorization for such expenses contained in title II of this Act.

#### INTERSTATE COMMERCE COMMISSION

##### SALARIES AND EXPENSES

For necessary expenses of the Interstate Commerce Commission, including not to exceed \$5,000 for the employment of special counsel; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; newspapers (not to exceed \$300); purchase of not to exceed thirty-four passenger motor vehicles of which fourteen shall be for replacement only; and not to exceed \$1,225,000 for expenses of travel; \$17,000,000, of which not less than \$1,405,100 shall be available for expenses necessary to carry out railroad safety activities and not less than \$966,300 shall be available for expenses necessary to carry out locomotive inspection activities: *Provided*, That Joint Board members and cooperating State commissioners may use Government transportation requests when traveling in connection with their duties as such

#### NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

##### SALARIES AND EXPENSES

For necessary expenses of the Committee, including contracts for the making of special investigations and reports (not to exceed \$1,000,000) and for engineering, drafting and computing services; not to exceed \$412,500 for expenses of travel; maintenance and operation of aircraft; purchase of fifteen passenger motor vehicles, of which fourteen shall be for replacement only; not to exceed \$100 for newspapers and periodicals; uniforms or allowances therefor, as authorized by the Act of September 1, 1954 (68 Stat. 1114), as amended; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); \$78,100,000.

## CONSTRUCTION AND EQUIPMENT

For construction and equipment at laboratories and research stations of the Committee, \$23,000,000, to remain available until expended.

## NATIONAL CAPITAL HOUSING AUTHORITY

## OPERATION AND MAINTENANCE OF PROPERTIES

For the operation and maintenance of properties under title I of the District of Columbia Alley Dwelling Act, \$38,000: *Provided*, That all receipts derived from sales, leases, or other sources shall be covered into the Treasury of the United States monthly: *Provided further*, That so long as funds are available from appropriations for the foregoing purposes, the provisions of section 507 of the Housing Act of 1950 (Public Law 475, Eighty-first Congress), shall not be effective.

## NATIONAL SCIENCE FOUNDATION

## SALARIES AND EXPENSES

For expenses necessary to carry out the purposes of the National Science Foundation Act of 1950, as amended (42 U. S. C. 1861-1875), including award of graduate fellowships; services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; hire of of passenger motor vehicles; not to exceed \$300,000 for expenses of travel; not to exceed \$350 for the purchase of newspapers and periodicals; and reimbursement of the General Services Administration for security guard services; \$130,000,000, to remain available until expended, of which \$1,000,000 shall be transferred to the Bureau of Public Roads, Department of Commerce, for construction of a secondary road to the Optical Astronomy Observatory on Kitt Peak in Arizona: *Provided*, That of the foregoing amount not less than \$30,250,000 shall be available for tuition, grants, and allowances in connection with a program of supplementary training for high school science and mathematics teachers.

## RENEGOTIATION BOARD

## SALARIES AND EXPENSES

For necessary expenses of the Renegotiation Board, including expenses of attendance at meetings concerned with the purposes of this appropriation; hire of passenger motor vehicles; not to exceed \$40,000 for expenses of travel; and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates not to exceed \$50 per diem for individuals; \$2,850,000.

## SECURITIES AND EXCHANGE COMMISSION

## SALARIES AND EXPENSES

For necessary expenses, including not to exceed \$1,125 for the purchase of newspapers; not to exceed \$245,000 for expenses of travel; uniforms or allowances therefor, as authorized by law (5 U. S. C. 2131); and services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); \$7,100,000.

## SELECTIVE SERVICE SYSTEM

## SALARIES AND EXPENSES

For expenses necessary for the operation and maintenance of the Selective Service System, as authorized by title I of the Universal Military Training and Service Act (62 Stat. 604), as amended, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a); travel expenses; not to exceed \$250 for the purchase of newspapers and periodicals; not to exceed \$72,000 for the National Selective Service Appeal Board; and \$19,000 for the National Advisory Committee on the Selection of Physicians, Dentists, and Allied Specialists; \$27,500,000: *Provided*, That during the current fiscal year, the President may exempt this appropriation from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of national defense.

Appropriations for the Selective Service System may hereafter be used for the destruction of records accumulated under the Selective Training and Service Act of 1940, as amended, by the Director of Selective Service after compliance with the procedures for the destruction of records prescribed pursuant to the Records Disposal Act of 1943, as amended (44 U. S. C. 366-380): *Provided*, That no records may be transferred to any other agency without the approval of the Director of Selective Service.

## VETERANS ADMINISTRATION

### GENERAL OPERATING EXPENSES

For necessary operating expenses of the Veterans Administration, not otherwise provided for, including expenses incidental to securing employment for war veterans; uniforms or allowances therefor, as authorized by law; not to exceed \$3,500 for newspapers and periodicals; not to exceed \$45,000 for preparation, shipment, installation, and display of exhibits, photographic displays, moving pictures, and other visual education in information and descriptive material, including purchase or rental of equipment; and not to exceed \$2,700,000 for expenses of travel of employees; \$147,500,000: *Provided*, That no part of this appropriation shall be used to pay in excess of twenty-two persons engaged in public relations work: *Provided further*, That no part of this appropriation shall be used to pay educational institutions for reports and certifications of attendance at such institutions an allowance at a rate in excess of \$1 per month for each eligible veteran enrolled in and attending such institution.

### MEDICAL ADMINISTRATION AND MISCELLANEOUS OPERATING EXPENSES

For expenses necessary for administration of the medical, hospital, domiciliary, special service, construction and supply, research, and employee education and training activities; expenses necessary for carrying out programs of medical research and of education and training of employees, as authorized by law; not to exceed \$1,100,000 for expenses of travel of employees paid from this appropriation and those engaged in training programs; and not to exceed \$2,700 for newspapers and periodicals; \$26,000,000, of which \$15,344,000 shall be available for medical research: *Provided*, That \$1,000,000 of the foregoing appropriation shall remain available until expended for prosthetic testing and development.

### INPATIENT CARE

For expenses necessary for the maintenance and operation of hospitals and domiciliary facilities and for the care and treatment of beneficiaries of the Veterans Administration in facilities not under the jurisdiction of the Veterans Administration as authorized by law, including the furnishing of recreational articles and facilities; maintenance and operation of farms; repairing, altering, improving or providing facilities in the several hospitals and homes under the jurisdiction of the Veterans Administration, not otherwise provided for, either by contract, or by the hire of temporary employees and purchase of materials; purchase of seventy passenger motor vehicles for replacement only; not to exceed \$375,000 for expenses of travel of employees; uniforms or allowances therefor as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131); and aid to State or Territorial homes in conformity with the Act approved August 27, 1888, as amended (24 U. S. C. 134) for the support of veterans eligible for admission to Veterans Administration facilities for hospital or domiciliary care; \$715,465,000: *Provided*, That allotments and transfers may be made from this appropriation to the Department of Health, Education, and Welfare (Public Health Service), the Army, Navy, and Air Force Departments, for disbursement by them under the various headings of their applicable appropriations, of such amounts as are necessary for the care and treatment of beneficiaries of the Veterans Administration: *Provided further*, That the foregoing appropriation is predicated on furnishing inpatient care and treatment to an average of 140,490 beneficiaries during the fiscal year 1959 including members in State or Territorial homes, and if a lesser number is experienced such appropriation shall be expended only in proportion to the average number of beneficiaries furnished such care and treatment.

## OUTPATIENT CARE

For expenses necessary for furnishing outpatient care to beneficiaries of the Veterans Administration, as authorized by law; purchase of two passenger motor vehicles for replacement only; uniforms or allowances therefor, as authorized by law; and not to exceed \$206,400 for expenses of travel of employees; \$75,399,000.

## MAINTENANCE AND OPERATION OF SUPPLY DEPOTS

For expenses necessary for maintenance and operation of supply depots, including purchase of one passenger motor vehicle for replacement only, uniforms or allowance therefor, as authorized by law, and not to exceed \$7,400 for expenses of travel of employees, \$2,055,000.

## COMPENSATION AND PENSIONS

For the payment of compensation, pensions, gratuities, and allowances (including burial awards authorized by title VIII of the Veterans' Benefits Act of 1957 (71 Stat. 117), and subsistence allowances authorized by part VII of Veterans Regulation 1 (a), as amended), authorized under any Act of Congress, or regulation of the President based thereon, including emergency officers' retirement pay and annuities, the administration of which is now or may hereafter be placed in the Veterans Administration, and for the payment of adjusted-service credits as provided in sections 401 and 601 of the Act of May 19, 1924, as amended (38 U. S. C. 631 and 661), \$3,200,000,000, to remain available until expended.

## READJUSTMENT BENEFITS

For the payment of benefits to or on behalf of veterans as authorized by titles II, III, and V, of the Servicemen's Readjustment Act of 1944, as amended, and title II of the Veterans Readjustment Assistance Act of 1952, as amended, and for supplies, equipment, and tuition authorized by part VII of Veterans Regulation Numbered 1 (a), as amended, payments authorized by titles VI and VII of the Veterans' Benefits Act of 1957 (71 Stat. 114-116), and for benefits authorized by the War Orphans' Educational Assistance Act of 1956, \$700,000,000, to remain available until expended: *Provided*, That the unexpended balance as of June 30, 1958, in the appropriation for "Automobiles and other conveyances for disabled veterans", shall be merged with this appropriation.

## VETERANS INSURANCE AND INDEMNITIES

For military and naval insurance; for the payment of benefits and for transfer to the national service life insurance fund, in accordance with the National Service Life Insurance Act of 1940, as amended; and for payment of liabilities under the Servicemen's Indemnity Act of 1951; \$51,100,000, to remain available until expended: *Provided*, That the unexpended balances as of June 30, 1958, in the appropriations for "Military and naval insurance", "National service life insurance", and "Servicemen's indemnities" shall be merged with this appropriation: *Provided further*, That certain premiums provided by law to be credited to any of the above appropriations shall be credited to this appropriation: *Provided further*, That this appropriation shall be subject to same statutory provisions and shall be available for the same purpose as formerly applied to the aforementioned appropriations.

## GRANTS TO THE REPUBLIC OF THE PHILIPPINES

For payment to the Republic of the Philippines of grants in accordance with the Act of July 1, 1948, as amended (50 U. S. C. App. 1991-1996) or in accordance with part D of title V of the Veterans' Benefits Act of 1957, for expenses incident to medical care and treatment of veterans, \$1,250,000.

## CONSTRUCTION OF HOSPITAL AND DOMICILIARY FACILITIES

For hospital and domiciliary facilities, for planning and for major alterations, improvements, and repairs and extending any of the facilities under the jurisdiction of the Veterans Administration or for any of the purposes set forth in sections 1701-1703 of the Veterans' Benefits Act of 1957 (71 Stat. 141), \$19,295,000, to remain available until expended: *Provided*, That the unexpended balance as of June 30, 1958, in the appropriation for "Major alterations, improvements, and repairs" shall be merged with this appropriation.

## ADMINISTRATIVE PROVISIONS

Not to exceed 5 per centum of any appropriation for the current fiscal year for "Compensation and pensions", "Readjustment benefits", and "Veterans insurance and indemnities" may be transferred to any other of the mentioned appropriations, but not to exceed 10 per centum of the appropriations so augmented, and not to exceed \$500,000 of the appropriation "Veterans insurance and indemnities" for the current year may be transferred to "Service-disabled veterans insurance fund".

Appropriations available to the Veterans Administration for the current fiscal year for salaries and expenses shall be available for services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a).

Appropriations available to the Veterans Administration for the current fiscal year for "Inpatient care" and "Outpatient care" shall be available for funeral, burial, and other expenses incidental thereto (except burial awards authorized by title VIII, Veterans' Benefits Act of 1957 (71 Stat. 117) (38 U. S. C., ch. 12A)), for beneficiaries of the Veterans Administration receiving care under such appropriations.

No part of the appropriations in this Act for the Veterans Administration (except the appropriation for "Construction of hospital and domiciliary facilities") shall be available for the purchase of any site for or toward the construction of any new hospital or home.

No part of the foregoing appropriations shall be available for hospitalization or examination of any persons except beneficiaries entitled under the laws bestowing such benefits to veterans, unless reimbursement of cost is made to the appropriation at such rates as may be fixed by the Administrator of Veterans Affairs.

## INDEPENDENT OFFICES—GENERAL PROVISIONS

SEC. 102. Where appropriations in this title are expendable for travel expenses of employees and no specific limitation has been placed thereon, the expenditures for such travel expenses may not exceed the amounts set forth therefor in the budget estimates submitted for the appropriations: *Provided*, That this section shall not apply to travel performed by uncompensated officials of local boards and appeal boards of the Selective Service System.

SEC. 103. Where appropriations in this title are expendable for the purchase of newspapers and periodicals and no specific limitation has been placed thereon, the expenditures therefor under each such appropriation may not exceed the amount of \$50: *Provided*, That this limitation shall not apply to the purchase of scientific, technical, trade, or traffic periodicals necessary in connection with the performance of the authorized functions of the agencies for which funds are herein provided, nor to the purchase of newspapers and periodicals necessary for the care and welfare of patients and members in Veterans Administration hospitals and domiciliary facilities.

SEC. 104. No part of any appropriation contained in this title shall be available to pay the salary of any person filling a position, other than a temporary position, formerly held by an employee who has left to enter the Armed Forces of the United States and has satisfactorily completed his period of active military or naval service and has within ninety days after his release from such service or from hospitalization continuing after discharge for a period of not more than one year made application for restoration to his former position and has been certified by the Civil Service Commission as still qualified to perform the duties of his former position and has not been restored thereto.

SEC. 105. Appropriations contained in this title, available for expenses of travel shall be available, when specifically authorized by the head of the activity or establishment concerned, for expenses of attendance at meetings of organizations concerned with the function or activity for which the appropriation concerned is made.

SEC. 106. No part of any appropriations made available by the provisions of this title shall be used for the purchase or sale of real estate or for the purpose of establishing new offices outside the District of Columbia: *Provided*, That this limitation shall not apply to programs which have been approved by the Congress and appropriations made therefor.

SEC. 107. No part of any appropriation contained in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees

shall be considered as engaged in personnel work if they spend half time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; wage administration; and processing, recording, and reporting.

SEC. 108. None of the sections under the head "Independent Offices—General Provisions" in this title shall apply to the Housing and Home Finance Agency.

## TITLE II—CORPORATIONS

The following corporations and agencies, respectively, are hereby authorized to make such expenditures, within the limits of funds and borrowing authority available to each such corporation or agency and in accord with law, and to make such contracts and commitments without regard to fiscal year limitations as provided by section 104 of the Government Corporation Control Act, as amended, as may be necessary in carrying out the programs set forth in the Budget for the fiscal year 1959 for each such corporation or agency, except as hereinafter provided:

### FEDERAL HOME LOAN BANK BOARD

#### LIMITATION ON ADMINISTRATIVE AND EXAMINATION EXPENSES, FEDERAL HOME LOAN BANK BOARD

Not to exceed a total of \$1,600,000 shall be available for administrative expenses of the Federal Home Loan Bank Board, and shall be derived from funds available to the Federal Home Loan Bank Board, including those in the Federal Home Loan Bank Board revolving fund and receipts of the Federal Home Loan Bank Administration, the Federal Home Loan Bank Board, or the Home Loan Bank Board for the current fiscal year and prior fiscal years, and the Board may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Savings and Loan Insurance Corporation, and other agencies of the Government (including payment for office space): *Provided*, That all necessary expenses in connection with the conservatorship of institutions insured by the Federal Savings and Loan Insurance Corporation or preparation for or conduct of proceedings under section 5 (d) of the Home Owners' Loan Act of 1933 or section 407 of the National Housing Act and all necessary expenses (including services performed on a contract or fee basis, but not including other personal services) in connection with the handling, including the purchase, sale, and exchange, of securities on behalf of Federal home-loan banks, and the sale, issuance, and retirement of, or payment of interest on, debentures or bonds, under the Federal Home Loan Bank Act, as amended, shall be considered as nonadministrative expenses for the purposes hereof: *Provided further*, That not to exceed \$55,000 shall be available for expenses of travel: *Provided further*, That members and alternates of the Federal Savings and Loan Advisory Council shall be entitled to reimbursement from the Board as approved by the Board for transportation expenses incurred in attendance at meetings of or concerned with the work of such Council and may be paid not to exceed \$25 per diem in lieu of subsistence: *Provided further*, That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of the Board shall be incurred, allowed, and paid in accordance with the provisions of the Federal Home Loan Bank Act of July 22, 1932, as amended (12 U. S. C. 1421-1449): *Provided further*, That the nonadministrative expenses for the examination of Federal and State chartered institutions (other than special examinations determined by the Board to be necessary) shall not exceed \$6,343,000.

#### LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL SAVINGS AND LOAN INSURANCE CORPORATION

Not to exceed \$720,000 shall be available for administrative expenses, which shall be on an accrual basis and shall be exclusive of interest paid, depreciation, properly capitalized expenditures, expenses in connection with liquidation of insured institutions or preparation for or conduct of proceedings under section 407 of the National Housing Act, liquidation or handling of assets of or derived from insured institutions, payment of insurance, and action for or toward the avoidance, termination, or minimizing of losses in the case of insured institutions, legal fees and expenses, and payments for administrative expenses of the Federal Home Loan Bank Board determined by said Board to be properly allocable to

said Corporation, and said Corporation may utilize and may make payment for services and facilities of the Federal home-loan banks, the Federal Reserve banks, the Federal Home Loan Bank Board, and other agencies of the Government: *Provided*, That not to exceed \$15,400 shall be available for expenses of travel: *Provided further*, That notwithstanding any other provisions of this Act, except for the limitation in amount hereinbefore specified, the administrative expenses and other obligations of said Corporation shall be incurred, allowed and paid in accordance with title IV of the Act of June 27, 1934, as amended (12 U. S. C. 1724-1730).

### GENERAL SERVICES ADMINISTRATION

#### LIMITATION ON ADMINISTRATIVE EXPENSES, ABACA FIBER PROGRAM

Not to exceed \$47,000 of funds available to the General Services Administration for the abaca fiber program shall be available for administrative expenses incident to the abaca fiber program, to be computed on an accrual basis, and to be exclusive of the interest paid, depreciation, capitalized expenditures, expenses in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property relating to the abaca fiber program, and expenses of services performed on a contract or fee basis in connection with the performance of legal services.

#### LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL FACILITIES CORPORATION

Not to exceed \$25,000 shall be available during the fiscal year 1959 for all administrative expenses of the Corporation (including use of the services and facilities of Federal Reserve banks), to be computed on an accrual basis, and to be exclusive of interest paid, depreciation, capitalized expenditures, expenses in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to the Corporation or in which it has an interest, expenses of services performed on a contract or fee basis in connection with the performance of legal services, and all administrative expenses reimbursable from other Government agencies.

#### LIMITATION ON ADMINISTRATIVE EXPENSES, RECONSTRUCTION FINANCE CORPORATION LIQUIDATION FUND

Not to exceed \$50,000 (to be computed on an accrual basis) of the funds derived from liquidation of functions of Reconstruction Finance Corporation transferred to General Services Administration under Reorganization Plan No. 1 of 1957 (22 F. R. 4633), shall be available during the current fiscal year for administrative expenses incident to the liquidation of said functions: *Provided*, That as used herein the term "administrative expenses" shall be construed to include all salaries and wages, services performed on a contract or fee basis, and travel and other expenses, including the purchase of equipment and supplies, of administrative offices, but this amount shall be exclusive of costs of services performed on a contract or fee basis in connection with the termination of contracts or in the performance of legal services: *Provided further*, That the distribution of administrative expenses to the accounts shall be made in accordance with generally recognized accounting principles and practices.

### HOUSING AND HOME FINANCE AGENCY

#### LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF THE ADMINISTRATOR, COLLEGE HOUSING LOANS

Not to exceed \$1,675,000 shall be available for all administrative expenses, which shall be on an accrual basis, of carrying out the functions of the Office of the Administrator under the program of housing loans to educational institutions (title IV of the Housing Act of 1950, as amended, 12 U. S. C. 1749-1749d), but this amount shall be exclusive of payment for services and facilities of the Federal Reserve banks or any member thereof, the Federal home-loan banks, and any insured bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, as amended, 12 U. S. C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States: *Provided*, That not to exceed \$65,000 shall be available for expenses of travel.

LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF THE ADMINISTRATOR,  
PUBLIC FACILITY LOANS

Not to exceed \$400,000 of funds in the revolving fund established pursuant to title II of the Housing Amendments of 1955, as amended, shall be available for administrative expenses, but this amount shall be exclusive of payment for services and facilities of the Federal Reserve banks or any member thereof, the Federal home-loan banks, and any insured bank within the meaning of the Act creating the Federal Deposit Insurance Corporation (Act of August 23, 1935, as amended, 12 U. S. C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States.

LIMITATION ON ADMINISTRATIVE EXPENSES, OFFICE OF THE ADMINISTRATOR,  
REVOLVING FUND (LIQUIDATING PROGRAMS)

During the current fiscal year not to exceed \$600,000 shall be available for administrative expenses (including not to exceed \$38,000 for travel), but this amount shall be exclusive of expenses necessary in the case of defaulted obligations to protect the interests of the Government and legal services on a contract or fee basis and of payment for services and facilities of the Federal Reserve banks or any member thereof, any servicer approved by the Federal National Mortgage Association, the Federal home-loan banks, and any insured bank within the meaning of the Act of August 23, 1935, as amended, creating the Federal Deposit Insurance Corporation (12 U. S. C. 264) which has been designated by the Secretary of the Treasury as a depository of public money of the United States.

LIMITATION ON ADMINISTRATIVE EXPENSES, FEDERAL NATIONAL MORTGAGE  
ASSOCIATION

Not to exceed \$4,750,000 shall be available for administrative expenses, which shall be on an accrual basis, and shall be exclusive of interest paid, expenses (including expenses for fiscal agency services performed on a contract or fee basis) in connection with the issuance and servicing of securities, depreciation, properly capitalized expenditures, fees for servicing mortgages, expenses (including services performed on a force account, contract, or fee basis, but not including other personal services) in connection with the acquisition, protection, operation, maintenance, improvement, or disposition of real or personal property belonging to said Association or in which it has an interest, cost of salaries, wages, travel, and other expenses of persons employed outside of the continental United States, expenses of services performed on a contract or fee basis in connection with the performance of legal services, and all administrative expenses reimbursable from other Government agencies, and said Association may utilize and may make payment for services and facilities of the Federal Reserve banks and other agencies of the Government: *Provided*, That the distribution of administrative expenses to the accounts of the Association shall be made in accordance with generally recognized accounting principles and practices: *Provided further*, That not to exceed \$137,500 shall be available for expenses of travel.

LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES, FEDERAL  
HOUSING ADMINISTRATION

For administrative expenses in carrying out duties imposed by or pursuant to law, not to exceed \$7,300,000 of the various funds of the Federal Housing Administration shall be available, in accordance with the National Housing Act, as amended (12 U. S. C. 1701), including uniforms or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131): *Provided*, That, except as herein otherwise provided, all expenses and obligations of said Administration shall be incurred, allowed, and paid in accordance with the provisions of said Act: *Provided further*, That not to exceed \$445,000 shall be available for expenses of travel: *Provided further*, That funds shall be available for contract actuarial services (not to exceed \$1,500); and purchase of periodicals and newspapers (not to exceed \$750): *Provided further*, That nonadministrative expenses classified by section 2 of Public Law 387, approved October 25, 1949, shall not exceed \$38,500,000.

# LIMITATION ON ADMINISTRATIVE AND NONADMINISTRATIVE EXPENSES, PUBLIC HOUSING ADMINISTRATION

Not to exceed the amount appropriated for such expenses by title I of this Act shall be available for the administrative expenses of the Public Housing Administration in carrying out the provisions of the United States Housing Act of 1937, as amended (42 U. S. C. 1401-1433), including not to exceed \$900,000 for expenses of travel; purchase of uniforms, or allowances therefor, as authorized by the Act of September 1, 1954, as amended (5 U. S. C. 2131); purchase of not to exceed one passenger motor vehicle for replacement only; and expenses of attendance at meetings of organizations concerned with the work of the Administration: *Provided*, That necessary expenses of providing representatives of the Administration at the sites of non-Federal projects in connection with the construction of such non-Federal projects by public housing agencies with the aid of the Administration, shall be compensated by such agencies by the payment of fixed fees which in the aggregate in relation to the development costs of such projects will cover the costs of rendering such services, and expenditures by the Administration for such purpose shall be considered nonadministrative expenses, and funds received from such payments may be used only for the payment of necessary expenses of providing representatives of the Administration at the sites of non-Federal projects: *Provided further*, That all expenses of the Public Housing Administration not specifically limited in this Act, in carrying out its duties imposed by law, shall not exceed \$1,800,000.

## CORPORATIONS—GENERAL PROVISION

SEC. 202. No part of the funds of, or available for expenditure by, any corporation or agency included in this title shall be used to pay the compensation of any employee engaged in personnel work in excess of the number that would be provided by a ratio of one such employee to one hundred and thirty-five, or a part thereof, full-time, part-time, and intermittent employees of the agency concerned: *Provided*, That for purposes of this section employees shall be considered as engaged in personnel work if they spend half-time or more in personnel administration consisting of direction and administration of the personnel program; employment, placement, and separation; job evaluation and classification; employee relations and services; training; committees of expert examiners and boards of civil-service examiners; wage administration; and processing, recording, and reporting.

## TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act, or of the funds available for expenditure by any corporation or agency included in this Act, shall be used for publicity or propaganda purposes designed to support or defeat legislation pending before the Congress.

This Act may be cited as the "Independent Offices Appropriation Act, 1959".

SAM RAYBURN,

*Speaker of the House of Representatives.*

RICHARD NIXON,

*Vice President of the United States and*

*President of the Senate.*

[Endorsement on back of bill:]

I certify that this Act originated in the House of Representatives.

RALPH R. ROBERTS, *Clerk.*